REQUEST FOR PROPOSALS (RFP)

DISPOSAL OF SLOPS/ HYDROCARBONS AT THE SANPC REFINERY

CEF SOC Ltd is a state-owned company involved in the search for appropriate energy solutions to meet the energy needs of South Africa and the sub-Saharan African region. It also manages the operation and development of the oil and gas assets of the South African government. The company falls under the auspices of the Department of Mineral Resources and Energy (DMRE). For more information on the company, you can visit our current website: www.cefgroup.co.za. The refinery is situated at: 1 Refinery Road, Isipingo, Prospection, Durban.

1. BACKGROUND

The SANPC Refinery is seeking to appoint bidders that are willing to buy slops/ Hydrocarbons available for disposal on the tanks. This exercise is aimed at ensuring that the SANPC-Refinery is able to generate revenue using the assets on site. Extensive and thorough assessment was conducted by the asset evaluators that were appointed by CEF as part of quantifying these assets and the results provide guide on the value of the assets ; which should inform the acceptable buying value.

The applicable procedure for the disposal of these assets is set out in Section 12.9.4 (Level 4) of the Tangible and Intangible Assets Procedure as follows :

*12.9.4 (**Level 4) Disposal of remaining assets through Tender Procedure***

The auction of the remaining assets will be advertised to the public through the Disposal Agent.

The Disposal Agent will co-ordinate the action process in consultation with the CEF Disposal Committee.

The item(s) are sold on "voetstoots" basis.

The highest tender price is not necessarily accepted and the item will not be sold if noacceptable tender is received.

The tender price is valid for a period of 10 (ten) days after closing date of the tenders and the tenderer is not allowed to withdraw the tender within the said period.

Payment to the Company is made within SEVEN (7) calendar days of the date onwhich the successful tenderer received written notice.

The item may not be removed before written approval is obtained from the Group Manager: Facilities Management

The Company reserves the right to cancel the transaction or to extend the transactiondate as a result of non-payment or any other applicable reason.

The successful tenderer must make his own arrangements for the removal of suchitem(s).

Bidders must furnish full data and information as required in this bid document . Based on the evaluation of the proposal submitted by the bidders, successful bidders will be selected. Award of the bid is at the discretion of the Central Energy Fund . Proposal of the successful bidder would form the basis for future negotiations and lead to signing of a contract for the disposal of the slops/hydrocarbons at the SANPC Refinery.

2. INVITATION FOR DISPOSAL

Proposals are hereby invited from suitable bidders for the disposal of slops/hydrocarbons at the SANPC Refinery ; which will include the lifting of the tank contents from the Refinery.

3. PROPOSAL SPECIFICATION

All proposals are to be submitted in a format specified in this RFP (if applicable). However, tenderers are welcome to submit additional / alternative proposals over and above the originally specified format.

4. SCOPE OF WORK

This Scope of Work is subject to all conditions and requirements as stated in this section of this document as well as any other accompanying documents in this pack and shall be undertaken in the manner stated herein as well as the Service Level Agreement.

4.1 List of Tanks with SLOPS available for disposal

No	Tank ID	Offspec Product	Estimated Tons	Estimated Road Tanker Uplifts
1	T1205	Laws	42	1
2	T1335	LN/Tops	129	4
3	T1203	Dark Kero	200	6
4	T1331	Waxy	7025	234
5	T1806	Vacuum gasoil	165	6
6	T1924	Spindle oil	88.9	3
7	T1310	Isomerate	94	3

8	T1308	Tops	403	13
9	T1307	Platformate	73	2
10	T1323	Vacuum gasoil	143	4
11	T1325	Treated gasoil	134	4
12	T7803	Desulpurised Light Gasoil	134	4
13	T1202	FRCCG	214	7
14	T1305	Alkylate	356	11
15	T1273	Solvents	15	0.5
16	T1288	Solvents	15	0.5
17	T1114	Slops	3035	95

Note: The estimated tons in the list of tanks are indicative and the recoverable amounts are not guaranteed . The item(s) are sold on "voetstoots" basis.

5. SERVICE POINT DELIVERY

SANPC REFINERY
1 Refinery Road
Prospecton
Durban

6. CONTRACT TERM

The contract will be effective over a period of 6 months

7. PROJECT CONDITIONS

- The tender may be awarded to a single bidder or to multiple bidders at the sole discretion of CEF.
- The successful bidder/s must utilize reputable tanker service providers for the upliftment of products.
- All bids are required to be on a per kilogram basis.
- The transportation of goods will only be done by a company that is :
  - SANS 10231 Compliant (Operational Requirements)
  - Compliance with National Road Traffic Act 93 of 1996
  - Compliance with the Dangerous Goods Regulations
  - Vehicles with Roadworthiness Certificates
  - Driver to have a special endorsement for the Dangerous Goods Training (PrDP-D)
- CEF reserves the right to deny access to non-compliance vehicles/ drivers
- The successful bidder shall indemnify and hold harmless CEF SOC Ltd (SANPC Refinery) , and their employees against claims, losses, or damages arising from the handling, transportation, or downstream use of the products after upliftment from the refinery. This should include final destination/processing or disposal site.

- The operational times for product uplifts times are 07h30 to 15h00 Monday to Friday excluding public holidays .

8. EVALUATION CRITERIA

Phase 1- Mandatory Requirements

The bidder must comply with the requirements listed below and it must be noted that failure to comply with any of these requirements will lead to bidder being disqualified from further evaluation.

No	Mandatory	Comply	Not Comply
8.1	The company should have a valid South African Trading Licence (Wholesale License) issued by the Department of Mineral Resources and Energy **Attach copy of a valid certificate/licence**		
8.2	The potential bidder must submit a detailed project plan i.r.o transportation of the goods. The transportation company should be compliant on all the items below: • Compliance with SANS 10231 Compliant (Operational Requirements) for the transportation of the Dangerous Goods • Vehicles with Roadworthiness Certificates • Driver to have a special endorsement for the Dangerous Goods Training (**PrDP-D permit**)		

9. Phase 2: Commercial evaluation

9.1 80/20 Preference Point System

80/20 preference points system for tenders for income-generating contracts with Rand value equal to or below R50 million

9.1.1. The following formula must be used to calculate the points for price in respect of an invitation for tender for income-generating contracts, with a Rand value equal to or below R50 million, inclusive of all applicable taxes:

Where: $$\mathbf{PS = 80\left(1+\frac{Pt-Pmin}{Pmin}\right)}$$

Ps = Points Score for the Tender under consideration
Pt = Price of Tender under consideration, and
Pmin = Price of highest acceptable tender

9.1.2. A maximum of 20 points may be awarded to a tenderer for the specific goal specified for the tender.

9.1.3. The points scored for the specific goal must be added to the points scored for price and the total must be rounded off to the nearest two decimal places.

9.1.4. Subject to section 2(1)(f) of the Act, the contract must be awarded to the tenderer scoring the highest points.

All tenders that will achieve the minimum qualifying score for technical will be evaluated further in terms of the preference point system as follows:

CRITERIA	**POINTS**
Price	80
Specific Goals	20
TOTAL	**100 points**

OR

9.2 <u>90/10 Preference Point System</u>

<u>90/10 preference point system for tenders for income-generating contracts with Rand value above R50 million</u>

The following formula must be used to calculate the points for price in respect of a tender for income-generating contracts, with a Rand value above R50 million, inclusive of all applicable taxes:

Where: $\mathbf{PS = 90\left(1+\frac{Pt-Pmax}{Pmax}\right)}$

Where-
Ps = Points scored for price of tender under consideration;
Pt = Price of tender under consideration; and
Pmax = Price of highest acceptable tender.

9.2.1. A maximum of 10 points may be awarded to a tenderer for the specific goal specified for the tender.

9.2.2. The points scored for the specific goal must be added to the points scored for price and the total must be rounded off to the nearest two decimal places.

9.2.3. Subject to section 2(1)(f) of the Act, the contract must be awarded to the tenderer scoring the highest points.

* Shortlisted bidders may be contacted for site visits

All tenders that will achieve the minimum qualifying score for technical will be evaluated further in terms of the preference point system as follows:

CRITERIA	**POINTS**
Price	90
Specific Goals	10
TOTAL	**100 points**

The specific goals promoted in this tender is:

Specific goals	Points
Historically disadvantaged individual (HDI)	
Enterprises with ownership of 51% or more by person/s who are black	10
Enterprises with ownership of 51% or more by person/s who are women	5
Enterprises with ownership of 51% or more by person/s who are youth	3
Enterprise with ownership of 10% or more by person/s with disability	2
Total	**20**

Or

Specific goals	Points
Historically disadvantaged individual (HDI)	
Enterprises with ownership of 51% or more by person/s who are black	5
Enterprises with ownership of 51% or more by person/s who are women	3
Enterprises with ownership of 51% or more by person/s who are youth	1
Enterprise with ownership of 10% or more by person/s with disability	1
Total	**10**

* Shortlisted bidders may be contacted for site visits

10. Pricing schedule

No	Tank ID	Offspec Product	Estimated Tons	Estimated Road Tanker Uplifts	Unit cost per ton	Total
1	T1205	Laws	42	1		
2	T1335	LN/Tops	129	4		
3	T1203	Dark Kero	200	6		
4	T1331	Waxy	7025	234		
5	T1806	Vacuum gasoil	165	6		
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13	T1202	FRCCG	214	7		
14	T1305	Alkylate	356	11		
15	T1273	Solvents	15	0.5		
16	T1288	Solvents	15	0.5		
17	T1114	Slops	3035	95		
Sub-total						
VAT @15%						
Grand Total						