

**KENYA ELECTRICITY GENERATING COMPANY**

**DATE: 11/05/2017**

**TENDER FOR SUPPLY AND DELIVERY OF HEAVY FUEL OIL TO KIPEVU I & III POWER STATION FOR KENGEN.: KGN-FUEL-04-2017**

KenGen wishes to issue the following additional information on the tender in question through clarification 2:

No	Issue	KenGen clarification
1.	Evaluation Criteria item No. (2) Audited financial statement for the last two years (2014, 2015). (KenGen may at its discretion confirm the authenticity of the document with KRA. Financial statements should be those of the bidding firm and financial statements of related companies will not be considered. The Accounts shall be used to determine the following :- (NOT COMPLETE)	The Accounts shall be used to determine the following:-  a) Minimum annual turnover of Ksh.3,000,000,000.00 (Ksh ≥ 3 billion) b) Current ratio must ≥ 1 c) Acid test ratio must ≥ 0.5 d) Positive closing cash balance. e) Where the above financial capability is not met , the bidders MUST provide Letter(s) of support specific to this tender from reputable bank(s)
2.	Bidders requested the Railway Development Levy (RDL) to be moved to CIF since they are part of clearance cost	The Railway Development Levy (RDL) to be retained together with other taxes and levies. Refer to Price build up below.
3.	IDF Fee to be changed to 2 % as per the legal requirements	IDF Fees (2% of CIF). Refer to Price build up below.

**ACKNOWLEDGEMENT OF CLARIFICATION NO.2**

We, the undersigned hereby certify that the clarification is an integral part of the document and has been incorporated in the tender proposal.

Signed ..... Date .....

Tenderer .....

**PRICING SCHEDULE FOR HEAVY FUEL OIL**

**KIPEVU I**

<b>PRODUCT: HEAVY FUEL OIL</b>	
<b>For the month of _____</b>	<b>US \$/MT</b>
<b>A: FOB Mean of Fuel Oil Platts (5 day average BL date) Arabian Gulf</b>	
<b>B: Freight per MT</b>	
<b>CNF (USD/MT)</b>	
Marine Insurance (1.003 x CNF x 0.0770%)	
War Risk (1.003 x CNF x 0.0275%)	
<b>CIF</b>	
Shore Landing @ USD 2.2+ 16%VAT and Stevedoring 1.65	
IDF fees @ 2% of CIF	
<b>LC charges( 1.2% of CNF)</b>	
<b>CIFLW</b>	
Administration Fees (0.25% of CIF)	
Ocean Loss (0.5% of CIFLW)	
Inspection Fees	
Merchant Shipping Levy (0.3USD/MT)	
<b>Profit margin</b>	
<b>Sub-Total (USD/MT)</b>	
Average Exchange Rate (Mean CBK for the previous Month)	
<b>Sub-Total (Kshs. Per MT)</b>	
Base cost conversion factor (MT to M <sup>3</sup> ) @ 1.073	
<b>Total cost before taxes Mombasa (Kshs/M<sup>3</sup>)</b>	
<b>C: Taxes</b>	
Add; Petroleum Development Levy Kshs 400.00 per M <sup>3</sup>	
Add; Excise Duty @ Kshs 600 per M <sup>3</sup>	
Add; Railway Development Levy (1.5% of CIF)	
<b>Subtotal before VAT (Kshs/M<sup>3</sup>)</b>	
<b>D: VAT @ 16%</b>	
<b>Sub total after VAT (Kshs/M<sup>3</sup>)</b>	
<b>Net delivered price (Kshs per M<sup>3</sup>)</b>	

- The FOB mean of Platts must be supported by a copy of the Platts Oilgram average figures.
- Barrel to metric ton conversion shall be at 6.728 barrels per metric ton for HFO.
- All the figures in the pricing schedule shall be calculated to the fourth decimal.

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Tenderer .....

**KIPEVU III**

<b>PRODUCT: HEAVY FUEL OIL</b>	
<b>For the month of _____</b>	<b>US \$/MT</b>
<b>A: FOB Mean of Fuel Oil Platts (5 day average BL date) Arabian Gulf</b>	
<b>B: Freight per MT</b>	
<b>CNF (USD/MT)</b>	
Marine Insurance (1.003 x CNF x 0.0770%)	
War Risk (1.003 x CNF x 0.0275%)	
<b>CIF</b>	
Shore Landing @ USD 2.2+ 16%VAT+Stevedoring 1.65	
IDF fees @ 2% of CIF	
LC charges( 1.2% of CNF)	
<b>CIFLW</b>	
Administration Fees (0.25% of CIF)	
Ocean Loss (0.5% of CIFLW)	
Inspection Fees	
Merchant Shipment Levy (0.3USD/MT)	
<b>Premium /Profit margin</b>	
<b>Sub-Total (USD/MT)</b>	
Average Exchange Rate (Mean CBK for the previous Month)	
<b>Sub-Total (Kshs. Per MT)</b>	
Base cost conversion factor (MT to M <sup>3</sup> ) @ 1.073	
<b>Total cost before taxes Mombasa (Kshs/ M<sup>3</sup>)</b>	
<b>C: Taxes</b>	
Add; Excise Duty @ Kshs 600 per M <sup>3</sup>	
Add; Petroleum Development Levy Kshs 400.00 per M <sup>3</sup>	
Add; Railway Development Levy (1.5% of CIF)	
<b>Sub total before VAT (Kshs/M<sup>3</sup>)</b>	
<b>D: VAT @ 16%</b>	
<b>Sub total after VAT (Kshs/M<sup>3</sup>)</b>	
<b>Net delivered price (Kshs per M<sup>3</sup>)</b>	

- The FOB mean of Platts must be supported by a copy of the Platts Oilgram average figures.
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