



Invitation for Bidder Selection

Nalcor Doc. No. LCP-SN-CD-0000-SC-PR-0001-01

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Inter-Departmental / Discipline Approval (where required)

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1 PURPOSE

Based on the philosophy of competitive bidding, the purpose of this Project Instruction is to establish an approved list of Contractors which shall be selected to submit proposals for the supply of materials, equipment or services through an Invitation for Bidder Selection process for the Lower Churchill Project.

2 SCOPE

This Project Instruction is applicable for all Contracts and Purchase Orders issued for the Lower Churchill Project.

3 DEFINITIONS

Applicant: Person, corporation, partnership, joint venture, or other organization which has received the Invitation for Bidder Selection.

4 RESPONSIBILITIES

Contract Administrator / Buyer

- Prepares the Invitation for Bidder Selection, Bidder Selection Evaluation Plan, and Bidders List.

Supply Chain Manager

- Approves the documents as required.
- Ensures compliance and required update of this procedure.

Project Manager

- Approves the documents as required.

Engineering, H&S, Environment, Benefits, Risk, QA, Construction

- Participates in the development of the Invitation for Bidder Selection; development of the Bidder Selection Evaluation Plan and the evaluation of the Application for Bidder Selection responses.

5 REFERENCES

- LCP-SN-CD-0000-SC-FR-0001-01 Bidders List
- LCP-SN-CD-0000-SC-FR-0002-01 Single Source Justification Form

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- LCP-SN-CD-0000-SC-FR-0003-01 Contracting Strategy
- LCP-SN-CD-0000-SC-FR-0004-01 Application for Bidder Selection
- LCP-SN-CD-0000-SC-FR-0005-01 Appendix 1 – Commercial Questionnaire
- LCP-SN-CD-0000-SC-FR-0006-01 Appendix 2 - Technical Questionnaire
- LCP-SN-CD-0000-SC-FR-0007-01 Appendix 3 – Health and Safety Questionnaire
- LCP-SN-CD-0000-SC-FR-0008-01 Appendix 4 – Environmental Questionnaire
- LCP-SN-CD-0000-SC-FR-0009-01 Appendix 5 – Quality Questionnaire
- LCP-SN-CD-0000-SC-FR-0010-01 Evaluation Summary
- LCP-SN-CD-0000-SC-FR-0011-01 Comment Sheet
- LCP-SN-CD-0000-SC-FR-0012-01 Commercial Scoring Sheet
- LCP-SN-CD-0000-SC-FR-0013-01 Technical Scoring Sheet
- LCP-SN-CD-0000-SC-FR-0014-01 Health & Safety Scoring Sheet
- LCP-SN-CD-0000-SC-FR-0015-01 Environment Scoring Sheet
- LCP-SN-CD-0000-SC-FR-0016-01 Quality Scoring Sheet
- LCP-SN-CD-0000-SC-FR-0017-01 Bidder Selection Evaluation Plan
- LCP-SN-CD-0000-SC-FR-0035-01 Bidder Selection Evaluation Report

6 INSTRUCTION

6.1 Contract Strategy

Based on the Commitment Package Schedule (CPN) or after receipt of the package dictionary, the Contract Administrator (CA) / Buyer shall prepare and obtain approval for the Contracting Strategy (Form No. LCP-SN-CD-0000-SC-FR-0003-01) for the package prior to issuance of the RFP. If the Contract Strategy is not approved prior to the RFP being issued, the reasons need to be documented, approved by the appropriate level of management and included within the package files.

A Contract Strategy is required for packages greater than \$5M.

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The Contracting Strategy shall contain the following information:

- Key dates such as RFI Issue, RFP Issue and Contract award dates;
- Package dictionary description reference, and, if different, revised scope of work;
- Key considerations (examples: IBA considerations, local market conditions, National or International market conditions, labour strategy issues, lessons learned, experience of team members, other work area interfaces, etc.);
- Procurement contracting method (competitive bid, Nalcor Long Term Service Agreement or single source);
- Type of Agreement (i.e., Supply and Install, Civil Works, Services, or Equipment Purchase);
- Compensation basis; and
- Commercial strategy (examples: bidder list / bidder selection plan, RFP philosophy, term of contract, incentive plans, liquidated damages, escalation, etc.).

6.2 Invitation for Bidder Selection

Invitation for Bidder Selection is initiated by the CA/Buyer. The CA/Buyer will coordinate the development of the Invitation for Bidder Selection Questionnaires (Form No's. LCP-SN-CD-0000-SC-FR-0004-01 to LCP-SN-CD-0000-SC-FR-0016-01) and the Bidder Selection Evaluation Plan (Form No. LCP-SN-CD-0000-SC-FR-0017-01). The forms will be prepared in collaboration with Engineering, QA, H&S, Environment, and Risk Management (where applicable). Nalcor will review and approve these prior to issue by the CA/Buyer. If there is occasion to exclude the requirement for one of the discipline questionnaires from the Bidder Selection Evaluation Plan for whatever reason, this must be documented and approved by the discipline manager and appropriate level of management.

Once the documents have been approved by the LCP Team, the CA/Buyer will add the Invitation for Bidder Selection questionnaires to the Lower Churchill Project website. In addition, the CA/Buyer may identify and contact targeted Applicants to request them to participate in the upcoming Invitation for Bidder Selection process.

6.3 Evaluation of Applications for Bidder Selection

After the Applications for Bidder Selection are received, the CA/Buyer will gather and distribute all completed documents to the package team for evaluation.

Using the Bidder Selection Evaluation Plan, the following departments will be required to review and comment on the Applicant's qualifications as follows:

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- Engineering reviews, scores, and comments on the Applicant’s technical ability and experience.
- Commercial (including Benefits) reviews, scores, and comments on the Applicant’s commercial documentation submitted with the responses. Financial information (i.e., financial statements) should be sent to Nalcor’s Corporate Treasury Department for credit worthiness review for packages estimated to be greater than \$10M.
- QA reviews, scores, and comments on the Applicant’s QA documentation submitted with the questionnaire.
- H&S reviews, scores, and comments on the Applicant’s Health and Safety documentation submitted with the questionnaire.
- Environment reviews, scores, and comments on the Applicant’s Environment documentation submitted with the questionnaire.
- Risk Management (where applicable) reviews, scores, and comments on the Applicant’s documentation submitted with the questionnaire.

If documents are missing from an Applicant’s submission, the CA/Buyer should request them from the Applicants to complete the evaluation.

All package team reviews are to be submitted to the CA/Buyer for compilation and to be summarized in the Bidder Selection Evaluation Report.

After evaluation is complete, the CA/Buyer shall prepare on behalf of the Package Team the Bidder Selection Evaluation Report (Form No. LCP-SN-CD-0000-SC-FR-0035-01) along with the recommended Bidders List (Form No. LCP-SN-CD-0000-SC-FR-0001-01) for approval by the LCP Team.

Whenever possible the Bidders List should identify, at a minimum, three companies.

It may also be possible for the LCP Team to propose, at a later date and prior to RFP issue, additional Applicant(s). In this case, the additional Applicant(s) will be subject to the Bidder Selection process.

The approved Bidders List will be posted on the Lower Churchill Project website.

6.4 Single Source

For reasons of a technical nature, standardization, or for other valid commercial reasons, a single source process may be appropriate. However, the decision to use a single source is subject to the approval of the LCP Team using the Single Source Justification form (Form No. LCP-SN-CD-0000-SC-FR-0002-01).

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The Single Source Justification form shall be approved in accordance with Nalcor’s Capital Expenditure Authorization Procedure (Nalcor Document No. LCP-PT-MD-0000-FI-PR-0001-01). The form must be approved by one level higher than the required authority level for the acquisition of the goods or services requested.

7 RECORDS

All records of the Bidder Selection process and Bidders List or Single Source Justification shall be filed within the package folders on the Project T: Drive, hard copy files, and Aconex (where applicable).

8 ATTACHMENTS

Not used.