



Request for proposal
European tender (public procedure)

Supply of goods and services in the area of
TetraHydroThiophene (THT) plus related services

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1

Contact

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1. Definitions

The definitions and concepts below apply to this European invitation to tender.

Definition	Explanation
Agreement	This agreement between Gasunie and contracted party/ies.
Ariba	The e-sourcing platform that Gasunie uses for managing its supply base.
ARN20013	Tendering Regulation for the Utilities Sectors 2013 (In Dutch: Aanbestedingsreglement Nutssectoren 2013).
Award	The acceptance of an offer, as referred to in article 6:217, first paragraph, BW (Dutch Civil Code).
Award decision	Proposal to award the contract to the economical most advantageous tender.
Main contractor	The tenderer who has produced an offer and uses one or more subcontractors and who is the first point of contact both during the tendering process and during the execution of the contract.
Minimum requirements/exclusion ground	The requirements that the offer must always meet to be eligible to supply the requested goods and services to N.V. Nederlandse Gasunie. A tenderer either does or does not meet these requirements and failure to meet these requirements is a ground for immediate exclusion from participation.
Note of information	The anonymised questions and the answers to them are put on the Ariba e-sourcing platform. The note of information is an integral and binding component of the tender documents and prevails over the information on the Ariba e-sourcing platform.
Offer	A legally valid offer duly submitted by tenderer based on the request to participate. The offer must be submitted via the Ariba e-sourcing-platform.
Procurement Act 2012	Act of 1 April 2013, incorporating new rules on the procedures for the award of government contracts for works, goods and services (In Dutch: Aanbestedingswet 2012), Official Journal (Staatsblad) 2012, 542.
Public procedure	A one-stage tendering process in which any supplier can submit an offer.
Qualification criteria	Minimum qualitative requirements which a tenderer must always meet to be eligible to participate in the request for proposal. A tenderer either does or does not meet these requirements and failure to meet these requirements is a ground for immediate exclusion.
Request for proposal (RFP)	Tender document that contains all the information and conditions or requirements for drawing up an offer.
(Sub) award criteria	Specific criteria used to determine the economical most advantageous tender.
Supplier	Any party that offers products and/or services on the market.
Syndicate	Two or more natural persons or legal entities that submit a tender together as a joint enterprise.
Variants	Variants may only be offered if this document indicates that they are permissible.
Tenderer	An organisation that has submitted an offer based the request for proposal.
Tendering authority	N.V. Nederlandse Gasunie.
Tender documents	The documents drawn up for the tendering procedure and put on the Ariba

	e-sourcing platform. They include the note(s) of information.
Tender procedure	The process consists of a number of formal steps leading to the award of the contract to the tenderer who has either registered the offer with the economical most advantageous tender.

2. Introduction

2.1 Introduction of this tender procedure

This request for proposal is drawn up for the European tender for the benefit of the supply of THT and related services. This tender will be conducted according to the public procedure.

The purpose of this document is to enable these parties to produce a suitable offer for the requested services and to inform them about the award procedure.

2.2 N.V. Nederlandse Gasunie

The tendering authority N.V. Nederlandse Gasunie (hereinafter referred to as Gasunie) is a European gas infrastructure company. Its network is one of the largest high-pressure gas transport networks in Europe, consisting of over 15,000 km of pipeline in the Netherlands and northern Germany, dozens of installations and around 1,300 gas receiving stations. The annual throughput of gas is around 125 billion m³. We serve the public interest in the markets in which we operate and strive to create optimal value for our stakeholders.

The following values for guiding the design of the organization and our daily actions of employees, management and departments; they give direction to the desired behaviour by implementing the strategy. These include:

- We put Safety, Health and Environment first ('Safety First') and to operate within the law and regulations;
- We know the importance of the customer and act accordingly;
- We strive for cost-consciousness, where our business will never compromise our integrity and professionalism.

The abovementioned values should also be part of the methods and processes of the suppliers that Gasunie intends to contract by means of this tender.

For more information see www.gasunie.nl.

2.3 Scope of the contract

Gasunie uses THT as an odorant for gas for safety reasons. Annually Gasunie uses approximately 477 MT of THT, mostly in winter.

The THT is added to the gas at approximately 130 locations. At 90 locations the THT is stored in containers of 2 to 5 thousand liters. At the other locations drums of 50 and 200 liters are used.

On a weekly basis, Gasunie informs the supplier on the level of each container. Supplier is responsible to keep the level of each container at a safe level (between 30% and 90%). Actual delivery at the unmaned locations is supervised by Gasunie.

For security of supply, supplier holds a minimum stock dedicated to Gasunie.

Additionally supplier is responsible for calibrating the volume meters in connection with the volume of the bulk containers ("inliteren") and supplier will conduct visual inspections of Gasunie's drums and Standard Bulk Containers (SBC) on required maintenance and replace any leaking connections on Gasunie's drum's and of SBC units whenever necessary.

2.4 Procedure and award

This European tender will be conducted by the EU guideline 2004/17/EG implemented by the Procurement Act 2012 and the ARN2013.

This European tender procedure is published on TenderNed and on TED (Tender Electronic Daily) the official journal of the EU.

Gasunie will award the economical most advantageous tender. To determine the economical most advantageous tender Gasunie uses (sub) award criteria as described in this request for proposal.

2.5 Volume of the tender

Gasunie uses an estimated annual amount of 477 tons of THT. Actual usage depends on the off take of gas. This is an indication on the basis of the current situation. Tenderer can derive no rights on the above mentioned volume.

2.6 Contractform and extent

The framework agreement that Gasunie plans to conclude will run for a period of four year(s) with the possibility of extension for three times a period of one year. The planned commencement date is mentioned in the planning (see 2.7 planning).

Three month before expiring of the initial or the extended contract Gasunie will determine whether the contract will be extended.

2.7 Planning

A general planning schedule for this public procedure is given below. No rights can be derived from this planning schedule.

Activity	Period
Request for information	
Publication on TenderNed	4 April 2014
Deadline submission questions	25 April 2014
Publication final note of information on the Ariba e-sourcing platform	9 May 2014
Deadline submission offer	23 May 2014
Award decision	Within 3 weeks after the above mentioned date
Legal protection period (stand still period)	20 days after award decision
Signing agreement	1 July 2014
Start execution agreement	1 July 2014

3. Requested supply and services

3.1 Description of the current situation

Gasunie uses THT as an odorant for gas for safety reasons. The estimated annual use of THT is 477 metric tons per year. Actual usage depends on actual gas demand and differs from year to year. Most usage is during the winter period.

The THT is added to the gas at approximately 130 locations. At approximately 90 locations the THT is stored in containers of 2 to 5 thousand liters. Over 95% of the total delivered volume is in the form of bulk deliveries to these containers. At just over 40 locations with a limited use of THT, drums of 50 and 200 liter are used.

The operational department of Gasunie is organized in two districts, one in the southwest and one in the northeast (see Figure 1: operations district and areas). Each district contains several areas.

For the delivery of THT, the Netherlands is divided into four THT regions; two regions in district East and two regions in district West. One supplier delivers exclusively in two regions (in district East and West) and another supplier delivers exclusively in the other two regions (in district East and West).

District	Area	THT Region	Annual THT use (MT)	Annual THT use (%)
West	Noord Holland	North West	229	48.0 %
	Zoetermeer	North West		
	Utrecht	North West		
	Rijnmond	North West		
	Woensdrecht	South West	78	16.4 %
	Boxtol	South West		
East	Groningen	North East	95	19.9 %
	Oldeboorn	North East		
	Hoogeveen	North East		
	Deventer	North East		
	Maas en Waal	South East	75	15.7 %
	Born	South East		
Total			477	100 %

Table 1: Annual THT usage per region

On a weekly basis, Gasunie informs the supplier on the level of each container. Supplier is responsible to keep the level of each container at a safe level (between 30% and 90%). Actual delivery at the locations is supervised by Gasunie. Most locations are unmanned so a Gasunie field employee must be planned to supervise each delivery, therefore the supplier must plan deliveries in consultation with Gasunie.

For the delivery of drums, Gasunie sends an order by e-mail, stating the number of drums to be delivered and the number of empty drums to be returned for each location.

Each supplier invoices the delivered quantities of THT with one contract price, regardless in what region or how (bulk or drum delivery) the THT was delivered. Any residual THT in a returned drum is ignored (no compensation is given).

Additionally supplier is responsible for calibrating the volume meters in connection with the volume of the bulk containers ("inliteren") and supplier will conduct visual inspections of Gasunie's drums and Semi

Bulk Container (SBC) units on required maintenance and replace any leaking connections on Gasunie's drum's and of SBC units whenever necessary.

3.2 Description of the desired situation

The security of supply of THT is directly linked to the security of supply for gas in the Netherlands. For this reason, Gasunie prefers a situation with two independent suppliers. Each supplier must be willing to take over a delivery from the other supplier, if the other supplier is unable to make a delivery. The Netherlands has been divided into four regions with different average annual off takes. For each region one supplier will deliver THT exclusively.

For maximum increased efficiency Gasunie would prefer to contract one supplier per district (see Table 1: Annual THT usage per region).

In this tender the price (in €/kg THT) is asked for each region. Optionally a discounted price can be offered for combinations of regions, if the costs are reduced, due for example, by economies of scale.

3.3 Scope of this European tender/agreement

The scope of the agreement will be the exclusive delivery of THT by tenderer for one or more regions. Secondly, the selected supplier(s) will be required to hold a minimum stock of THT exclusively dedicated to Gasunie. Finally, selected supplier(s) are responsible for calibrating the volume meters in connection with the volume of the bulk containers ("inliteren") and selected supplier(s) will conduct visual inspections of Gasunie's drums and Semi Bulk Container (SBC) units on required maintenance and replace any leaking connections on Gasunie's drum's and of SBC units whenever necessary.

In the tender, tenderer can submit different prices for different regions. After awarding the regions, for each tenderer the volume weighted average¹ price is calculated and used as the contract price in all awarded regions for the first year. For additional years the price will be indexed based on a formula.

If a supplier is unable to make a delivery, supplier must inform Gasunie without delay. If necessary, Gasunie may ask the second selected supplier to take over such a delivery. Each supplier must be willing and able to take over a delivery in such a case.

If a supplier is unable to fulfill the contract, supplier must inform Gasunie without delay. If necessary, Gasunie may annul the contract and award the region(s) to the second supplier.

¹ weighted with the expected annual volume for the awarded (combination of) regions

4. Tender procedure

4.1 Conditions for participation

- By submitting an offer, the tenderer declares that it agrees to all the provisions in this document, all the appendices and documents that go with it and the note of information;
- Gasunie will only use the submitted details for the purpose for which they were intended;
- Information provided by the tenderer will not be returned at the end of the process.

4.2 Communication relating to the tendering process

Communication relating to the tendering process takes place via the Ariba e-sourcing platform. The contact person and any alternative contact persons are named on the front page.

On penalty of exclusion, tenderers are not permitted to approach other staff about this tender procedure, either directly or indirectly, without permission from the above-named contact person(s).

In case of technical difficulties in the use of Ariba or difficulties in submission of the requested information on Ariba, it is allowed to contact the contact person as mentioned on the first page of this request for proposal.

4.3 Reservation

Gasunie reserves the right to stop all or part of the tendering process either temporarily or permanently. In these circumstances, tenderers will have no right to claim compensation for any costs incurred in this tender procedure. Any costs and/or loss which arise or could arise by virtue of this tender not being awarded are at the tenderers own risk.

4.4 Costs

No costs arising during the whole tender procedure and the drafting and issuing of an offer by the tenderer will be borne by Gasunie.

4.5 Inconsistencies

This document has been put together with great care. Nevertheless, should you come across inconsistencies or flaws, you are required to report these as soon as possible. You cannot rely on any inconsistencies or flaws which you have not reported, either in your offer or after you have submitted it.

4.6 Contract conditions

The content of the contract and its accompanying appendices (including the general terms and conditions) are prescribed in the interest of uniformity and comparability. However, you do have the opportunity to ask questions about the draft contract, to comment on it or to suggest changes unless explicitly forbidden in this document. Tenderer can ask questions regarding the contract and they will be answered in the note(s) of information. In response to the questions and comments, an amended version of the contract and appendices may be attached to the note of information if appropriate.

4.7 Provision of information / note of information

Questions, comments and requests in response to this request for proposal can only be submitted via the Ariba e-sourcing platform (see: message board on Ariba). Gasunie must receive your questions before the deadline given on the planning schedule.

Gasunie reserves the right not to answer questions that come in after the date given on the schedule.

Questions that come in on time are answered anonymously and the answers are communicated to all tenderers in one or more note(s) of information, which is placed on the Ariba e-sourcing platform before the deadline given on the planning schedule.

It is very important, that tenderer submits questions to Gasunie for assessment during the information stage if any elements from their proposed request to participate which does not meet the set requirements unreservedly, as well as potential alternatives which they consider to be improvements. After this stage the requirements and award criteria are final and cannot be changed.

If, you decide not to submit a offer, you are requested to inform Gasunie of this via the Ariba e-sourcing platform.

4.8 Submitting an offer

**Offers must be submitted via the Ariba e-sourcing platform,
before the closing date of the request for proposal.
After the closing date, the Ariba software will not allow any changes to be made!**

Note: The person who registers on behalf of the tenderer must be authorised to legally bind the company for the European tender.

In the unlikely event that the tenderer is unable to submit its offer or is unable to do so on time due to a system fault of the Ariba e-sourcing platform, the tenderer must inform Gasunie via the e-mail address of the contact person named on the first pages of this request for proposal before the closing date of the request for proposal. The tenderer will forfeit its rights if it fails to notify Gasunie of the fault or alleged fault on time.

However the tenderer can not derive any right from the above mentioned.

4.9 Completion

All tenderers are informed of which tenderer(s) have been awarded the contract. The notification states the names of the success full tenderers and the reasons for awarding these tenderers. The decision is announced via the Ariba e-sourcing platform.

If, within a period of twenty calendar days after the notification is sent, summary proceedings are commenced, evidence of which must be provided, Gasunie will not normally take the procedure any further until after the ruling in summary proceedings, unless there are very compelling reasons to do so.

If, summary proceedings are commenced more than twenty calendar days after the date of the decision, the rejected tenderers can no longer object to the decision and they have forfeited their rights in the

matter. In that case Gasunie is at liberty to carry out the expressed decision and the tenderers have also forfeited their rights to institute proceedings to claim compensation.

If Gasunie itself detects faults in the tendering procedure, or believes that a tenderer's complaint should be upheld without any need to wait for the outcome of any summary proceedings, Gasunie can review the decision itself. In these circumstances the tenderer who was selected in the first instance cannot claim any compensation.

5. Assessment procedure and selection criteria

5.1 Assessment procedure

The assessment procedure consists of three phases:

- Phase 1: Assessment on qualification criteria;
- Phase 2: Assessment on minimum requirements/exclusion grounds;
- Phase 3: Assessment on (sub) award criteria.

Tenderer must submit all information accurately and in full. With respect to the declarations/supporting evidence, if they are not or cannot be provided and/or are not recent, this is a ground for rejecting the tenderers offer. If the information is incomplete or appears not to be correct, this is also a ground for rejecting the tenderers offer and so the tenderer will be excluded from participation.

5.2 Phase 1: Assessment on qualification criteria

In phase 1 an assessment is made whether all the necessary information is complete and if the tenderer meets all the qualification criteria unconditionally. Failure to meet any of the qualification criteria is a ground for exclusion and these tenderers are excluded from taking any further part in the procedure. If an offer is incomplete this can also be a ground for exclusion.

All qualification criteria are visible in Ariba: Phase 1, Section 2 "Qualification criteria".

Tenderers that do not meet the qualification criteria will be excluded

5.3 Phase 2: Assessment on minimum requirements/exclusion grounds

In phase 2 an assessment is made whether the tenderer meets the minimum requirements/exclusion grounds. Failure to meet any of the minimum requirements is a ground for exclusion and these tenderers are excluded from taking any further part in the procedure. If the offer is incomplete this is also a ground for exclusion.

The minimum requirements/exclusion ground are visible in Ariba: Phase 2, Section 3 "Conditions for participation"

Tenderer that do not meet the minimum requirements will be excluded

5.4 Phase 3: Assessment on (sub) award criteria

Tenderers who successfully get through phase 1 and 2 will be assessed on the award criteria. The criteria to be used are summarised in Ariba: Phase 3, Section 4: "Award criteria". Any particulars and the maximum number of points to be achieved are shown for each criterion.

The principle behind the award is to select the economical most advantageous tender, based on the awarding model as described below;

The Netherlands is divided into four regions. Each tenderer is asked to submit a price per region. Optionally, reduced prices for combinations of regions can be offered.

An award scenario is a combination of two suppliers, where one supplier will deliver two or three regions and the second supplier will deliver the other one or two regions. For each supplier, for each region a number of points is calculated, based on price and other criteria described below. For each scenario, the total number of points is calculated.

Gasunie prefers a situation with two suppliers for maximum security of supply. However, award scenario's in which the additional costs for a second supplier exceed € 200.000 per year are not acceptable to Gasunie.

Gasunie will award the scenario with two suppliers with the highest number of points and acceptable extra costs for the second supplier. If there are no acceptable scenario's with two suppliers, Gasunie will award all regions to one supplier.

When calculating the additional costs for a second supplier for a scenario, the price(s) that would apply for the other supplier if only these regions would be awarded, are used.

For example, in a scenario where regions NW, SW and NE would be awarded to supplier A and region SE to supplier B, the additional costs are calculated by multiplying the difference between the prices offered by suppliers A and B for region SE with the annually expected usage for that region. If supplier A has offered a reduced price for delivery of all regions, this reduced price will not be taken into account when calculating the additional costs for the second supplier.

5.5 (Sub) award criteria

Based on the responses of the tenderers, Gasunie will judge, based on scenarios, what would be the most advantageous combination of tender(s) to achieve the preferred situation of two (2) independent suppliers.

Although Gasunie has the preference to contract two independent suppliers, Gasunie has the right and the intention to contract only one (1) supplier if there is no scenario possible where the additional costs for contracting a second supplier will remain below €200.000 per year.

5.5.1 Price: 80 points

Per region, the points related to price are calculated with the formula: $P_{min}/P * V_r/V_{rtot} * 80$, where

- P_{min} = the minimum price offered
- P = the price offered by this supplier
- V_r = the expected volume for this region
- V_{rtot} = the expected volume for all regions combined

V_r/V_{rtot} is equal to the percentage in table one (the annual THT usage (%))

If a supplier offers the best price for all regions, the combined points related to price will be 80 (see table 2 for the maximum number of points per region).

If suppliers offer reduced prices for combinations of regions, the same formula: $P_{min}/P * V_r/V_{rtot} * 80$, will be used to calculate the points related to price, where

- P_{min} = the weighted average of the minimum prices offered for these regions (weighted to V_r)
- P = the price offered by this supplier for the combination of regions
- V_r = the expected volume for this combination of regions
- V_{rtot} = the expected volume for all regions combined

Note that P can be smaller than P_{min} , or in words: the offered price can be lower than the weighted average of the minimum prices per region and the combined number of points related to price can be higher than 80.

5.5.2 One supplier per district: maximum 10 points

Gasunie prefers a situation with one supplier for districts, so that the planning department for the district must coordinate delivery runs with only one supplier. Extra points will be awarded to award scenario's with one supplier in each of the districts. Note that these points are not linked to a supplier, but to scenarios: 10 points for a scenario in which district East and district West is supplied by one supplier, like the example in this table:

Scenario			
District	THT Region	Supplier	5.5.2
West	North West	A	5
	South West	A	
East	North East	B	5
	South East	B	
Extra points for this scenario			10

- 5 points for a scenario in which one district is supplied by one supplier and one district is supplied by two suppliers, like the example in this table:

Scenario			
District	THT Region	Supplier	5.5.2
West	North West	A	5
	South West	A	
East	North East	A	0
	South East	B	
Extra points for this scenario			5

- 0 points for a scenario in which both districts are supplied by two suppliers, like the example in this table:

District	THT Region	Supplier	5.5.2
West	North West	A	0
	South West	B	
East	North East	A	0
	South East	B	
Extra points for this scenario			0

5.5.3 Recommendations for improvements: maximum 5 points

Tenderers are asked to make recommendations for improvements on security of supply, safety, administration and costs.

Points are awarded by consensus by a multi-disciplinary (independent) team of assessors made up of diverse experts. Points are awarded by the multi-disciplinary (independent) team based on how the tenderer has described their proposed recommendations to improve security of supply, safety and improvements on administration burden and lowering of costs. Tenderer will receive more points if Gasunie has deemed the answer of the tenderer as realistic, effective and relevant and pragmatically applicable.

These points will be distributed over the regions, pro rata to the expected annual volume of each region (see table 2 for the maximum number of points per region).

5.5.4 Extra dedicated minimum stock: maximum 5 points

For security of supply, supplier holds a minimum stock dedicated to Gasunie. Each supplier shall keep a minimum dedicated stock with a volume of at least the equivalent of one winter month of delivery; 20% of the estimated annual usage.

Supplier can achieve extra points for extra offered dedicated minimum stock on top of the required minimum of 20% of the annually expected volume.

1 point for each extra 4% of the annually expected volume, maximum 5 points.

These points will be distributed over the regions, pro rata to the expected annual volume of each region (see table 2 for the maximum number of points per region).

5.6 Calculating award scenario's

Based on the criteria in 5.5, points are calculated per supplier per region. For each scenario of two suppliers for the four regions, the total number of points for that scenario is calculated in order to find the scenario with the highest number of points.

District	THT Region	Supplier	pro rata factor (%)	5.5.1	5.5.2	5.5.3	5.5.4
West	North West	A/B	48.0 %	0-38.4	0/5	0-2.4	0-2.4
	South West	A/B	16.4 %	0-13.1		0-0.8	0-0.8
East	North East	A/B	19.9 %	0-15.9	0/5	0-1.0	0-1.0
	South East	A/B	15.7 %	0-12.6		0-0.8	0-0.8
totals			100 %	0-80	0/5/10	0-5	0-5
				0-100			

Table 2: points per scenario

Operations Gebiedsindeling



Figure 1: operations district and areas