



CEEC /IGA/2019/02

Request For Proposal (RFP) For Investment Grade Energy Audits

Invitation to Submit Proposal

Date: March 19, 2019

To: Bidder

Subject: RFP for Investment grade Energy Audits

1. You are requested to submit a proposal for an investment grade audit in respect of a medium & big enterprises in the manufacturing or service sectors of the Kenyan economy. Your proposal could form the basis of a contract between your firm / institution and the MOE
2. To enable you submit a proposal , please find enclosed :
 - a) Annex I: Proposal submission: Description of requirements for proposal submission;
 - b) Annex II: Terms of Reference (TOR), containing a description of CEEC requirements for which these services are being sought.

Pre-qualification documents containing detailed terms and conditions of pre-qualification may be downloaded from the KAM website: www.kam.co.ke. Interested bidders will be required to pay a non-refundable fee of Kshs. 2,500 to the bank and provide original banking slip on top of the bid documents. The payment shall be made to: Kenya Association of Manufacturer KAM Collection A/C NO: 0948598736. Branch: Queensway House

Note:

This letter is not to be construed in any way as an offer to contract with your firm/ institution.

Yours Sincerely,

Phyllis Wakiaga
Chief Executive

ANNEX I

Manner of submission

1. Your proposal shall be prepared in the English Language
 2. Your proposal shall comprise the following separately bound documents:
 - a) Technical component and
 - b) Financial (price component)
 3. Your proposal shall be prepared in duplicate with one marked “original” and the other marked “copy”. In the event of any
 4. Discrepancy between them, the original shall govern.
- Please insert dates and address as necessary

Content of Proposal

i) Technical Component

- a) Copy of Company’s certificate of incorporation. Where joint venture is applicable, the signed memorandum of the joint venture to be included in the bid documents.
- b) Description of the firm and the firm’s qualifications;
- c) Valid Certified Energy Manager (CEM) certificate or an equivalent qualification of key personnel(s) of the energy audit team.
- d) Valid Energy Regulatory Commission (ERC) license to conduct Investment Grade audits.
- e) Understanding of the requirements for services, including assumptions;
- f) Proposed approach and methodology;
- g) Timing of activities and reports (Being a critical component as time is of essence);
- h) Outputs, including how to measure those outputs;
- i) Proposed team structure;
- j) Proposed project team members.
- k) List of similar projects undertaken by your organization for reference

ii) Financial (Price Component)

The price component shall have a cover letter wherein your firm / institution’s authorized representative affirms the following:

- a) A summary of the price;
- b) Break-up of the cost build up
- c) The period of its validity;
- d) Cost of an **Investment grade energy audit.**
- e) Statutory KRA PIN and VAT certificate copies

In addition, the price component must cover all the services to be provided and must itemize the following:

- a) Unit and total fees per person for each team member to be assigned to the mission in the field and a rate for his/her work at the office, if any.
- b) Other costs if any (indicating nature and breakdown)
- c) Taxes

Mandatory Documents Required:

1. Copy of company VAT registration Certificate
2. Copy of company PIN certificate
3. Tax Compliance certificate
4. True copies of valid certified energy Auditor/Manager Certificate or equivalent certifications.
5. Valid Energy Regulatory Commission (ERC) license to conduct Investment Grade Audits.
6. Curriculum Vitae for the Lead Energy Auditor.

Payment terms (provisions)

KAM's policy is to pay for contractual services based on performance of contractual services rendered. **For this task, KAM intends to make all payments upon satisfactory completion of the assignment**

Evaluation of proposals

A two -stage procedure will be utilized in evaluating the proposals, with evaluation of the technical component being completed prior to any price component. Scores will be awarded for the technical proposal.

The price component proposal will be opened only for those firms/ institutions whose technical component meets the requirements for the assignment, as indicated by a score of more than 70% at the technical evaluation stage.

Deadline for Submission

The proposals are to be submitted to **AAM resources, Purshotam House, Chiromo Lane, Next to Diagnostics centre, by April 5, 2019, at 12.00 p.m.** late submissions will not be opened

`Please Label the Envelope "[Investment Grade Audits Proposal](#)"

ANNEX II

Terms of Reference

For

Investment grade energy audit

Introduction

The Government of Kenya through the Ministry of Energy & Petroleum (MOEP) under the provisions of the energy Act 2006, and in view of vision 2030 is keen to support efforts towards implementation of energy efficiency in industry.

Whereas many Kenyan companies are now aware of the benefits of energy efficiency, reluctance to invest in energy saving measures is still evident. This is attributed to the following factors:

- Little knowledge regarding viability of energy saving measures
- Skepticism regarding actual quantities, timings and risks of savings
- Lack of proven financing mechanisms for energy efficiency projects

The energy audits will assist manufacturers reduce production costs through increased energy efficiency, thereby increasing profits, increasing employment opportunities, creating more wealth and alleviating poverty. In addition, this exercise will help reduce greenhouse gas emissions and thus contribute to mitigation to climate change.

What is Investment grade energy audit?

The investment grade audit (IGA) is more detailed energy audit. It expands on a general energy audit through the inclusion of an energy balance; a life cycle analysis of savings and costs of each recommended energy saving measure; specification of the method of performance verification based on the International performance measurement and verification protocol (IPMVP). Utility bills are collected for a 12 to 36 month period to allow the auditor evaluate the facility's energy/demand rate structures, and energy usage profiles.

In-depth interviews with facility operating personnel are conducted to provide a better understanding of major energy consuming systems as well as insight into variations in daily and annual energy consumption and demand. Additional metering of specific energy-consuming systems is often performed to supplement utility data. Sufficient detail is provided to justify project implementation.

Objective

The objective of this assignment is to assist selected enterprises in Kenya identify Energy saving and energy efficiency measures resulting in demonstrable economic and environmental benefits. These will serve as successful case studies, which will be documented and disseminated to other Kenyan industries.

The specific objectives include:

- Increased energy savings in industry;
- Environmental benefits in terms of carbon dioxide emission reductions;

Activities

The activities will include:

1. Establishing a working relationship with the selected facilities and collection of requisite data from them;
2. Desk study of the energy consumption and billing profiles of the selected companies vis-à-vis the level of output of those companies;
3. Establishment of baseline conditions in terms of energy consumption and production;
4. Identification of energy saving measures, including justification for further pursuit of such measures.
5. Thorough spot measurements and monitoring of parameters to generate bankable data for detailed engineering design
6. Detailed financial engineering with comprehensive financial analysis statement.
7. Presentation of results to KAM and the audited company;
8. Justification for each measure recommended.

Deliverables to KAM (CEEC)

1. A work Schedule for the activities, in the form of a Gantt chart in MS project;
2. Desk study report of the energy consumption and billing profiles of the selected enterprise
3. Hold in-depth consultations with relevant personnel of the participating enterprise
4. Conduct field-testing, measurements and operational trials as necessary
5. Energy consumption vs. production baseline conditions established based on historical data;
6. Carry out detailed technical and financial analysis on the identified energy efficiency measures to determine energy saving potential and investment requirement for each measure based on detailed implementation cost estimate and advise on viability. A complete Life cycle assessment to be carried out indicating projected savings and expenses for each recommended measure. Note that the financial justification must be according to the clients own criteria for accepting projects, e.g. if a client only accepts projects with an IRR of 15%, only measures meeting that criterion will be considered
7. Sufficient detail is provided on opportunities for identified Energy Efficiency measures so as to justify project implementation,
8. An energy balance for the enterprise
9. Specification on measurement of performance improvement based on IPMVP Criteria.

10. Power point presentation of findings to KAM and the site management. The KAM presentation will come first, so that KAM can approve the presentation before making it to the audited enterprise;
11. Submission: The results of findings and recommendations are summarized in a final report with detailed descriptions of each identified energy saving measure;
12. Camera ready material for a brochure summarizing the identified energy saving measures;
13. A mission report showing how the activities were carried out in relation to the Gantt chart.