



OUR REF: MPS/07/06/ZS

Date: 5<sup>th</sup> May 2006

Dear Sirs,

**Tender Sales of Old Generating Sets and Spares at SESCo Miri and Lawas Power Stations**

You are cordially invited to quote on "as is, where is" basis for the purchase and removal of

- 1) 1 set of Dorman 12SETCR engine located at Set 6 Lawas P/Stn Engine Room
- 2) 1 Set of Super cartridge at Miri Power Station Store Room.
- 3) 1 lot of spare for 12 CSV at Miri Power Station Store Room.
- 4) 1 lot of spare for 12 CSV Air Compressor at Miri Power Station Store Room.
- 5) 1 lot of spare for 12 PC2V at Miri Power Station Store room.
- 6) 1 lot of spare for Valve Seat Grinder at Miri Power Station Store Room.
- 7) 1 lot of spare for Grinding Machine at Miri Power Station Store Room.
- 8) 1 lot of spare for Hiab Loader at Miri Power Station Store Room.
- 9) 1 lot of truck spare at Miri Power Station Store Room.
- 10) 1 lot of spare for Reavell Air Compressor at Miri Power Station Store Room.
- 11) 1 lot of AVR for Dorman at Miri Power Station Store Room

per attached Tender Document.

Enclosed are the Instruction to Tenderers, General Conditions of Contract and Schedules for your perusal.

"BERSATU BERUSAHA BERBAKTI"

Yours faithfully,

(Erang Ngang)  
for Chief Executive Officer

Encl.

CC : GM (Generation Services)  
Manager (P&C)  
Regional Manager (Northern Region)  
Manager Miri Power Station  
Superintendent Limbang Power Station  
STA Marudi Power Station  
STA Lawas Power Station  
Manager (GAM) – BOS Approved Ref:- PRO/001/01  
STO/001/02/G

## SYARIKAT SESCO BERHAD

### Tender Sales of Old Generating Sets and Spares at SESCO Miri and Lawas Power Stations

#### Instructions to Tenderers

This Tender is issued for the sale of the materials as identified on “as is, where is” basis from SESCO Miri and Lawas Power Stations.

1. Tender must be made on the accompanying Forms of Tender with all blanks duly filled in ink and signed. The tender price must include all incidental and contingent expenses. In particular, the Form of Tender must be completed and signed **without alteration.**
2. Tenderer shall quote a lump sum for all the materials as identified on “as is, where is” basis from SESCO Miri and Lawas Power Stations. The tender price shall includes:
  - (a) Complete removal from the Site within the specified completion period.
  - (b) Provision of all necessary tools, equipment, transport equipment, loading and unloading facilities to facilitate the removal from the Site.
  - (c) Provision of necessary skilled and unskilled manpower, supervisory staff to carry out the work.
  - (d) Safe removal and disposal of the respective old generating sets (and related auxiliaries for the Dorman 12SETCR2 ) and spares.
  - (e) All common pipe fittings dismantled shall terminate in flange joints
  - (f) Where ends of common piping terminate, the Contractor shall provide and install blank flanges with heat and oil resistant gaskets of 3mm thickness and these flanges shall be of the bolted type and suitable for the maximum working pressure.
  - (g) Complete removal of all cables related to the Dorman 12SETCR2 (Power cables, control cables, telecommunication cables etc).
3. Tender must remain open for acceptance for a period of not less than 90 days from the closing date of the tenders.
4. The Company does not bind itself to accept the highest or any Tender, nor to assign any reason for the rejection of any Tender.
5. Tenderers are advised to arrange with the Company to inspect the materials before submitting their tenders. The cost of visiting the site shall be at Tenderer’s own expense.
6. All correspondence in connection with the Tender and all matters accompanying the Tender which are relevant to its examination shall be in the English Language.
7. Tenders received before the time of opening will be securely kept unopened. Tenders received after will be rejected. The Company bears no responsibility for premature opening of Tender not properly addressed or identified.

8. Tender should be submitted in a sealed envelope marked "**Confidential - Tender Sales of Old Generating Sets and Spares at SESCo Miri and Lawas Power Stations: Closing Date: 7<sup>th</sup> June 2006**" and to be addressed to: -

The Officer-In-Charge  
Tender Box  
2<sup>nd</sup> Floor, Syarikat SESCO Berhad Regional Office  
Pujut 1 Road, Miri  
Sarawak

To reach him not later than 3 PM on 7<sup>th</sup> June 2006. No Tender received after the closing time at the Head Office of Syarikat SESCO Berhad will be considered.

9. The Contractor shall require to submit Performance Bond if the contract sum exceeds RM50,000.00. The amount of Performance Bond shall be 10% of the contract sum. The Performance Bond, inclusive of guarantees or bonds, if any, shall be irrevocable and shall be released only upon satisfactory completion of the Contract.

Performance Bond, if submitted in the form of Banker's Guarantee, shall be submitted in a standard form (PUR/5) obtainable from SESCo Regional Office and made valid for the duration of the contract period from the date of our letter of acceptance of the Contract.

*Within twenty-one (21) days from the date of our letter of acceptance of the Contract, the successful Tenderer will be required to furnish the Performance Bond and execute the Contract Agreement with the Company.*

10. The Company will not be responsible for, nor pay for, any expense or cost which was incurred by a Tenderer in the preparation of his tender.
11. Tenderers are particularly directed that the amount entered on the Form of Tender shall be for performing the Contract strictly in accordance with the Tender Document.
12. The tender price as entered on the Form of Tender is to be such as represents complete compliance with this tender document. However, should the Tenderer consider that he can offer any advantage to the Company by modification to the General Conditions of Specification, he may draw attention to such by an attached document stating the amount of his Alternative Tender if such modification is accepted by the Company.
13. No Tender shall be deemed to have been accepted unless and until the fact of such acceptance has been notified in writing to the Tenderer from the Company. The Letter of Acceptance will define the basis on which the tender is accepted. In submitting their tenders, the Tenderer unconditionally abides by the decision of Syarikat SESCo Berhad as final and binding and will not subject to any resource or appeal.

# **SYARIKAT SESCO BERHAD**

## **Tender Sales of Old Generating Sets and Spares at SESCO Miri and Lawas Power Stations**

### General Conditions of Contract

#### 1.1 Contractor to Inform Himself Fully

By virtue of submitting his Tender, the Tenderer asserts that he has, on his own responsibility and his own expenses, inspected and examined the materials and the Site, its surroundings and existing installations and facilities relevant to the execution of the Work.

Any information received from the Company's representative shall in no way relieve the Contractor of his responsibility for fulfilling his obligations under the Contract. All data and information in the Tender Document are presented solely as approximate information.

#### 1.2 Site Inspection

Before tendering, the Contractor is advised to arrange with the Company's Representative to visit the Site to ascertain the conditions to be encountered and to obtain better and more complete information on the details of works to be carried out. He shall ascertain by himself the quantity/quality of the material for this contract. Such visits shall be made on application to Superintendent (E) (En. Zunnasri Salihin) at SESCO Miri Power Station (Telephone No. 085-652020) and STA (Haidan Dollah) at SESCO Lawas Power Station (Telephone No. 085-284193).

The tender amount shall include the completion of all works indicated in the drawings or in the specifications and no claim will be entertained on the grounds of lack of knowledge of the conditions anytime during the contract period.

#### 1.3 Supervision

The Contractor shall provide efficient supervision of the works, by assigning a full time competent supervisor who can understand explanation and carry out directions given by the Company's Representative.

#### 1.4 Inspection

The Company's Representative shall have the authority to inspect the Work from time to time to ensure that all the works are properly done in accordance with the Contract.

#### 1.5 Injury to Persons

The Contractor shall take all reasonable precautions to prevent personal injury or death of any person whomsoever arising out of or in the course of or caused by the execution of the Work. The Contractor shall be solely liable for and shall indemnify the Company in respect of any loss, liability, claim or proceedings whatsoever arising

under any ordinance or at common law in respect of such injury or death, unless due to any act or neglect done by the Company's Representative.

1.6 Injury to Property

The Contractor shall take all reasonable precautions to prevent any injury or damage whatsoever to any property or personnel arising out of or by reason of the execution of the Work. The Contractor shall be liable for and shall indemnify the Company against such loss, liability, claim or proceedings in respect of such injury or damage arising provided always that the same is due to any negligence, omission or default of the Contractor, Contractor's employees or agents or any sub-contractors.

The Contractor shall take all precautions during the course of dismantling. The Contractor is responsible for the safe recovery and disposal of the respective lot of spares, scrap or old generating sets; the method of disposal shall be subjected to approval by Syarikat SESCO Berhad Representative.

1.7 Interference

The Contractor shall carry out all operations in connection with the execution of the Work only and shall not in any case disturb other plants and equipment in the station or interfere unnecessarily with other contractor at the Site.

The Contractor shall afford all reasonable opportunity for carrying out their Work to any other contractor employed by the Company for any work not included in the contract or any other contract which the Company may entered into.

1.8 Completion Time

The Contractor shall complete the Work within the Completion Time stated in the Contract. The date of starting shall be the date of official notice from the Company and the date of completion shall be after the complete clearance of all merchandise from Site.

1.9 Clearance of Site on Completion

On completion of the Work, the Contractor shall clear away and remove from the Site all constructional plant, rubbish and temporary works of every kind and leave the whole of the site and work place clean in a tidy and neat conditions to the satisfaction of the Company's Representative.

1.10 Payment by Contractor

The bill stating the amount as accepted by the Company for the purchase of the materials shall be raised against the Contractor. The Contractor shall settle the bill within 21 days from the date of receipt and present the receipt portion of the bill at Site as proof of payment prior to start of Work.

#### 1.11 Company's Right

The Company reserves the right to:-

- a. Cancel the Contract for unsatisfactory performance on the part of the Contractor;
- b. Cancel the Contract and re-award to other Tenderer or call for new tender if the Contractor fail to settle the bill within 21 days from the date of receipt.
- c. Award the tender to the highest offer for the purchase of each respective lot of spares, scrap or generating set in the said tender document and also the disposal of these materials.

#### 1.12 Contractor's Equipment

The Contractor shall provide his own lifting facility, tools, transport equipment, etc. required for completion of the Work. In addition, the Contractor shall also assume full responsibility for safe keeping of his belongings, tools, instruments, etc delivered to Site under this Contract. The Company shall not be held responsible for any loss of materials and instruments at site.

#### 1.13 Sub-Contractor

The Contractor is to inform the Company of the name, address and experience of sub-contractor to be employed for the works and nature of the works to be sub-contracted. Any work done by the sub-contractor without the approval from the Company shall be regarded as being illegal. The sub-contractor so approved by the Company to undertake certain work is not allowed to sub-contract the same work to other sub-contractors.

#### 1.14 Standard of Safety

The Contractor shall in respect of all his employees on site conform to a standard of Safety as high or higher than that adopted by Syarikat SESCo Berhad in respect of employees engaged in similar work.

#### 1.15 Delay in Completion

If the Contractor fails to complete the Work in accordance with the Completion Time, the Company reserves the right to act as below:

- (a) Forfeit the Contractor's Tender Deposit,
- (b) Engage other contractor to proceed with the Work, with all costs, charges and expenses to be borne by the Contractor,
- (c) Charge the Contractor for the rental charges of the Site.

## 1.16 Insurances

1.16.A The insurance covers for this Contract shall be as follows:

(i) *Contractor All-Risks covering*

- (a) Works and materials on site (For contracts covering operation and maintenance of Power Generation System)
- (b) Third Party Liability / Public Liability

(ii) Workmen's Compensation to cover all employees and all the nominated sub-contractors including the Company's Representative and their employees supervising the Contract.

### *1.16.B Insurance of Work*

The insurance cover shall insure so far as reasonably practicable the Works and keep each part thereof insured for the Contract Sum or such other value as may be mutually agreed between the Employer and the Contractor against all loss or damage from whatever cause arising. The Contractor shall so far as reasonably practicable insure against the Contractor's liability in respect of any loss or damage occurring whilst the Contractor is on Site for the purpose of making good a defect or for the purpose of completing any outstanding work and against any loss or damage arising during the Defects Liability Period from a cause occurring prior to taking over. All monies received under any such policy shall be applied in or towards the replacement and repair of the Works lost, damaged or destroyed but this provision shall not affect the Contractor's liability under the Contract.

- the "Contractor all Risk Insurance" shall cover the amount of one hundred and fifteen percent (115%) of the Contract Price to allow for any additional costs and professional fees including demolition and removal of debris resulting from the loss or damage;
- the Contractor shall be responsible for notifying the Employer of any Change in nature or extent of the Work and for ensuring the adequacy of the insurance cover at all times in accordance with the provisions of this subclause.

A ) such an insurance shall provide for compensation to be payable in the types and proportions of currencies needed to cover the loss or damage incurred.

### *1.16.C Third Party Insurance/Public Liability Insurance*

The Company shall, prior to the commencement of any work on the Site by the Contractor pursuant to the Contract, insure against his liability for damage or injury occurring before all the Works have been taken over to any person or to any property due to or arising out of the execution of the Works. The terms of the policy shall include a provision whereby, in the event of any claim being made against the Employer in respect of which the Contractor would be entitled to indemnity under the policy, the insurer will indemnify the Employer against such claims and any cost, charges and expenses in respect thereof.

- such insurance shall be for an amount not less than one hundred thousand Malaysian Ringgit on any occasion but unlimited the number of occasions; and
- if while the Contractor is on the Site for the purpose of making good a defect pursuant of this Contract there shall occur any losses of or damage, or injury to any property or to any person, the Contractor's liability in respect thereof shall be the same as if the said damage or injury had occurred before any part of the Work been taken over by the Employer.

*1.16.D Insurance against Accident etc. to Workmen*

The Contractor shall insure and shall maintain insurance against his liability on Accident or Injury to Workmen. The terms of any such policy shall also include the provision to indemnify the Employer provided always that in respect of any persons employed by any Sub-Contractor, the Contractor's obligation under this sub-clause shall be satisfied if the Sub-Contractor shall have insured against the liability in respect of such persons in such manner that the Employer is indemnified under the policy.

The Contractor however, shall be responsible for contributing to all necessary insurance schemes required under the law, including Workmen's Compensation, SOSCO, which will not be reimbursed by the Employer. Workmen Compensation Insurance covers 2 sections, workmen compensation of blanket cover and common law liability (unlimited).