

## Overview

### **NIGERIAN NATIONAL PETROLEUM CORPORATION**

**NNPC TOWERS, HERBERT MACAULAY WAY, PM.B. 190, GARKI- ABUJA, NIGERIA**

### **THE NIGERIAN NATIONAL PETROLEUM CORPORATION (NNPC)**

In compliance with the guidelines of the Infrastructure Concession Regulatory Commission (ICRC) Establishment Act 2005 hereby wishes to advertise:

### **REQUEST FOR PRE-QUALIFICATION OF COMPANIES FOR THE REHABILITATION OF NNPC DOWNSTREAM CRITICAL PIPELINES AND ASSOCIATED DEPOTS / TERMINAL INFRASTRUCTURE THROUGH FINANCE, BUILD, OPERATE AND TRANSFER (BOT) MODEL**

#### **BACKGROUND AND INFORMATION:**

(1) NNPCs pipeline and Depot network is an integral national asset, the operation of which started in 1979 by the defunct Pipelines and Products Marketing Sector (PPMS). The organization was later renamed Pipelines and Products Marketing Company (PPMC) In 1988

NNPC Management however, with the support of the Federal Government, unbundled the old PPMC to among others, have a separate entity overseeing the crude and product pipelines and storage network. The restructuring of PPMC in 2016 gave rise to the creation of Nigerian Pipelines and Storage Company (NSPC) which is charged with the responsibility for operations and maintenance of NNPC's pipeline and depot facilities.

By its design, the pipeline network is to move efficiently crude oil from terminals located at Escravos and Bonny to Warri Refining and Petrochemical Company (WRPC) and Port Harcourt Refining Company (PHRC), respectively. Thereafter, refined petroleum products – Premium Motor Sprit (PMS). Dual Purpose Kerosene (DPK) and Automotive Gasoline Oil (AGO) are moved from the Refineries to the product Depots tor truck out.

Imported or Local Crude oil is supplied to Kaduna Refinery and Petrochemical Company (KRPC) via the pipeline from Escravos Terminal via WRPC and may also be discharged from vessels at Warri Jetty into WRPC tanks tor onward pumping to KRPC. To meet any white product supply shortfall, imported petroleum products are received into Atlas Cove Depot tanks via pipeline from the Single Point Mooring (SPM) facility offshore anchor the New Atlas Cove Jetty (NACJ) for onward distribution inland.

Over the years, the pipeline network has suffered incessant reauthorized interference. This is one of the strongest drivers for the introduction of Horizontal Directional Drilling (HDD) to the Scope of the Project. The new pipelines will have Intrusion Detection and Cathodic Protection Systems to complement the deep burial. In addition, these facilities have aged over the years giving rise to frequent failures and consequent operational downtimes, high maintenance cost and revenue losses. These and other factors convinced NNPC/NPSC to make the strategic decision to carry out Replacement of its Pipelines and Rehabilitation upgrade of its Depots to enhance performance excellence.

The rehabilitation and/or construction of crude oil and petroleum product pipelines and the upgrade of petroleum product storage Depots operated by NPSC ('The Project'), together with certain ancillary infrastructure directly associated with the efficient operations of the pipelines and Depots. These include jetties, booster stations, pumps, control systems, metering systems, truck loading systems, electrical/Instrumentation equipment, together with the pipelines and Depots herein collectively referred to as "NPSC Pipeline and Depot Facilities" are to be rehabilitated, upgraded or replaced through a Build. Operate and Transfer (BOT) model.

Aside from system 28 (Atlas Cove – Mosimi- Ibadan – Ilorin pipeline system), the effective operations of NPSC's Pipelines and Depots infrastructure are tied to the proper functioning the Refineries. The rehabilitation and upgrade of NNPC's Refineries is being separately financed.

## **(2) NPSC's OBJECTIVE**

NNPC/NPSC plans to select a duly qualified limited liability Project Company(s) and execute on back-to-back terms, where the investor is expected to finance the project and – recover their cost through Pipelines and Depot throughout, tariff, through a Build, Operate and Transfer (BOT) arrangement.

The tender will be conducted through an open competitive process in accordance with the Scope of Work as defined below.

NNPC/NPSC therefore invites suitably qualified, experienced and reputable prospective Project Companies to submit Request for Pre-qualification.

## **(3) BRIEF DESCRIPTION OF THE SCOPE OF WORK**

The rehabilitation and/or construction of crude oil and petroleum product pipelines and the upgrade of petroleum product storage Depots scope of work shall cover but not limited to:

(i) Engineering, Procurement, Construction, Installation, Testing, Commissioning and Training (EPCI);

(ii) Funding the entire Project cost including the EPCI; and

(iii) Operation of the revamped facilities over a defined period to allow for full recovery of cost and agreed compensation.

NNPC/NPSC have already executed a Geotechnical and Geophysical survey of the PROWs, followed by Front End Engineering Design (FEED) in line with the critical need to change the vulnerability and obsolescence of the assets. This will be available to successfully pre-qualified companies to prepare the detailed engineering and cost estimates.

The following shall form part but not limited to the scope of work to be executed:

### **INSTALLATION OF NEW PIPELINES**

(1) Pipeline Right of Way (PROW) Confirmatory Survey

(2) Environmental Impact Assessment

(3) Engineering & Management

- Project Management
- Engineering & Design
- Procurement, Expediting
- Field Engineering

### **(4) Construction Management**

- Materials Control
- QA/QC

### **(5) Materials S Equipment**

- Line Pipe
- Main Line Valves
- Intrusion Detection
- L&Rs
- Pumps
- Cathodic Protection
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### **6. Construction**

- Security
- Pipeline Construction
- HDD
- Pump Station Construction
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**(7) Partial Preliminary Survey, Construction & As-Built Survey**

**(8) Freight**

**(9) Commissioning.**

**UPGRADE OF DEPOTS / BONNY EXPORT TERMINAL (BET)**

- (1) Equipment & Materials
- (2) Tanks Rehabilitation/ Reconstruction
- (3) Mainline Pumps/ Drivers
- (4) Heat Exchangers for LPFO (BET)
- (5) Truck Loading Pumps
- (6) Truck Loading Arms
- (7) Marine Loading Pumps (BET)
- (8) Marine Loading Arms (BET)
- (9) Piping, Pig Launchers, Valves & Fittings
- (10) Offshore platforms (BET)
- (11) Helipad (BET)
- (12) Cathodic protection system
- (13) Civil Works
- (14) Electrical Works/Lighting

- (15) Mechanical works
- (16) Metering Skids & Prover
- (17) Instrumentation
- (18) Control Systems
- (19) Systems integration and Automation
- (20) Control Room Rehabilitation / Reconstruction
- (21) Engineering Studies (Process, Civil, Mechanical, I&E, Geotechnical, etc)
- (22) Detailed Engineering Design
- (23) Construction Management
- (24) Supply Chain Management
- (25) Inspection
- (26) Mobilization/Demolization/Clean-up
- (27) Testing and Commissioning

**The Rehabilitation of the pipelines and associated Depots / Terminal Infrastructure will be through a Finance, Build, Operate and Transfer (BOT) model and will be awarded on LOT basis.** A company is allowed to express interest in a **maximum of two (2) LOTS**. However, **multiple bid winners will be awarded only one (1) LOT where they are most competitive.** Prospective Companies will therefore be required to submit as part of the Pre-qualification documents indicating the LOT(s) of their interest. The LOTS are categorized as follows:

LOT	PIPELINE SEGMENTS/ASSOCIATED DEPOTS/TERMINAL
1.	Bonny – Port Harcourt Crude Oil Pipeline (φ24", 54.8KM),

Port Harcourt – Aba – Enugu Products Pipeline ( $\phi$  16', 210KM),

Port Harcourt Depot, Aba Depot and Enugu Depot.

Port Harcourt Refinery – Bonny Export Terminal Products Pipeline ( $\phi$  10\*,35KM)

Bonny Export Terminal – Loading Jetty Products Pipeline ( $\phi$  10\*,32KM),

Bonny Export Terminal facilities.

Escravos- Warri Crude Oil Pipeline ( $\phi$  24', 60KM),

Warri – Benin Products Pipeline ( $\phi$  12'. 90KM),

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Benin – Ore Products Pipeline ( $\phi$ 12\*,110KM),

Warri Depot, Benin Depot and Ore Depot.

Warri – Kaduna Crude Oil Pipeline ( $\phi$  16', 604KM),

Kaduna- Kano Products Pipeline ( $\phi$  10", 224.3KM),

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Kaduna-Jos Products Pipeline ( $\phi$  10\*. 166.4KM),

Kaduna- Suleja Products Pipeline ( $\phi$  12', 170.8KM),

Kaduna Depot, Kano Depot, Jos Depot and Suleja Depot.

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Atlas Cove – Mosimi/Satellite Products Pipeline ( $\phi$  16". 72.8KM),

Mosimi-Ore Products Pipeline (φ 12', 151.3KM),

Mosimi – Ibadan Products Pipeline (φ 12", 79.1 km),

Ibadan – Ilorin Products Pipeline (φ ". 168.9KM).

Atlas Cove Depot, Mosimi Depot. Satellite Depot, Ibadan Depot, and Ilorin Depot.

#### **(4) WHO MAY SUBMIT PRE-QUALIFICATION DOCUMENTS**

(a) Reputable Engineering, Procurement and Construction (EPC) companies with capacity to raise the entire financing required for the Project.

(b) Financial Institutions with technical partners that have proven capacity to execute the Project.

(c) Companies who own and/or operate downstream infrastructure facilities such as crude oil and/or petroleum products pipelines and storage assets anywhere in the world with proven capacity to fund and execute the Project.

(d) Consortium made up of entities in the above.

#### **(5) PRE-QUALIFICATION REQUIREMENTS:**

The pre-qualification requirements are divided into two parts. Part A is for companies to provide their company profile. Part B is for companies to indicate their scope of program of their interest from the four (4) LOTS indicated in the table in item 3 above as well as provide specific information about the pre-qualification criteria upon which the company's submission will be evaluated.

##### **(5.1) PART A**

Interested companies shall provide their company profile detailing the following:

- Name of Company
- Registered Business Address
- Country of Incorporation
- Certificate of Incorporation
- Country of Domicile/HQ

- Date of Incorporation
- Memorandum of Understanding between Consortiums (if any)
- Shareholding structure of company (Attach details)
- Core Business of company
- Relevant practicing license issued by appropriate regulatory agencies.
- Name and contact information of Principal with appropriate authorization
- Valid Contact e-mail Address
- Valid Telephone Number

## **5.2 PARTB**

(a) Prospective bidders to clearly indicate their LOT of interest

(b) Prospective bidders to state clearly their BOT financing model scheme without any recourse to NNPC. The BOT model shall indicate tenure and recovery mechanism and indicative pricing.

(c) Bidders to attach a full description of the following items in separate sheet(s);

- Proposal including conditions precedent applicable tor own scheme.
- Planned source of funds for financing the BOT.
- Planned strategy for EPC and state examples of similar projects handled in the past.
- Strategy to maximize local content in overall proposal, in line with the Nigerian Oil and Gas Industry Content Development Act. 2010.
- Other suggestions that may be relevant to enhancing the bankability of the project or overall success (state supporting investment type if any).
- Provide 3-year company(ies) audited accounts (2017,2018,2019).
- Provide 3-year Tax clearance certificates (2017, 2018,2019).

(d) Prospective bidders shall submit evidence of financing and executing a major engineering project to the tune of a minimum of \$500,000,000 (Five Hundred Million US Dollars) within the last 5 years (e.g. certificates of completion for similar or related jobs, evidence of ongoing similar or related jobs, etc.). Contact information for clients should be included.

(e) Prospective bidders shall have a minimum annual turnover of \$500,000,000 (Five Hundred Million US Dollars).

(f) Prospective bidders shall have a minimum Net Worth of \$300,000,000 (Three Hundred Million US Dollars).

(g) Prospective bidders shall submit Letter of Commitment from an investment grade bank indicating availability of funds and readiness to finance the BOT.



( h) Prospective bidders shall submit Community Affairs, Safety, Health, Environment and Security (CASHES) plan adequate to cover the project execution.

(i) Prospective bidders shall submit relevant quality certifications such as ISO 9001, etc.

(j) Prospective bidders shall submit evidence of experience in operating similar downstream infrastructure facilities.

(k) Indicate if your business is currently involved in any Legal Dispute. (If YES; Provide List of Legal Disputes your Business is involved in)

(l) Indicate if your Company is in Receivership, the Subject of any form of winding up petition or Insolvency proceedings.

(m) Indicate if your Company is controlled by person or persons who are subject to any Bankruptcy proceedings or who have been declared bankrupt and or have made any compromises with their creditors within the last two calendar years.

(n) Indicate if any of your Company Directors has been convicted in any Country for any Criminal Offence Relating to Fraud or Financial Impropriety or Criminal Misrepresentation of Falsification of Acts Relating to Any Matter.

## **6. SUBMISSION OF PRE-QUALIFICATION INFORMATION**

### **DUE TO THE COVID-19 PANDEMIC, ALL BIDS MUST BE SUBMITTED ELECTRONICALLY TO THE NNPC/NIPEX TENDER PORTAL**

(6.1) To be eligible for this tender exercise, prospective bidders are required to submit these mandatory details as outlined below to [SCMTenders@nipex.com.ng](mailto:SCMTenders@nipex.com.ng) on or before **12:00 noon, 4 September, 2020**:

(a) Company's name

(b) Company's full address

( c) Company's authorized contact person(s) name to include Phone number and Company's e-mail address.

(6.2) Provision of 6.1 (a-c) above is a mandatory requirement to register your company for participation in this Prequalification stage of the tender process in the NNPC/NipeX tender process portal.

(6.3) All prospective bidders who do not provide as requested in 6.1 (a-c) above as at **12 noon of 4 September 2020** will no longer have access to submit the mandatory details.

(6.4) Prospective bidders will be duly notified on their registration in the NNPC/NipeX tender portal.

(6.5) Thereafter, the prospective bidder would have access to make their submissions on the NNPC/NipeX Tender Portal

(6.6) All submitted bids should be labelled **“REQUEST FOR PRE- QUALIFICATION OF COMPANIES FOR THE REHABILITATION OF NNPC DOWNSTREAM CRITICAL PIPELINES AND ASSOCIATED DEPOTS / TERMINAL INFRASTRUCTURE THROUGH BOT MODEL**

**(6.7) The submission/closing date:**

All pre-qualification documents should be submitted online through the electronic NNPC/NipeX Tender Portal on or **before 12:00 Noon, 18 September, 2020** to: [www.nipex-ng.com](http://www.nipex-ng.com)

(6.8) All pre-qualification documents shall be opened virtually and the entire process shall be visible to all Parties following the deadline for bids submission.

(6.9) All prospective bidders who have submitted pre-qualification documents and external observers shall be invited to attend a virtual live stream bid opening session.

## **(7) ADDITIONAL INFORMATION**

(7.1) This invitation shall not be construed as commitment on the part of NNPC/NPSC, nor shall it entitle potential firms to make any claims whatsoever, and/or seek any indemnity from NNPC/NPSC by virtue of such firms having responded to this invitation.

(7.2) Pre-qualification documents submitted after due date and time shall be rejected.

(7.3) All Submissions should be arranged and numbered in the 5 order listed in 5 above.

(7.4) All cost incurred as a result of this pre-qualification invitation and any subsequent request for information shall be to the responding firms accounts.

(7.5) NNPC shall deal directly with only authorized officers of the interested companies and not through individuals or agents.

(7.6) All information must be provided in English Language.

(7.7) Only Companies that meet the pre-qualification requirement will be considered for invitation to next stage.

(7.8) Prospective bidders are required to provide a sworn affidavit confirming the genuineness of their submission and that if discovered that the information provided is false, the company is liable to being prosecuted.

(7.9) Any clause in prospective bidders' submission that will vitiate the terms of their submission will not be acceptable by NNPC.

(7.10) All enquiries for clarifications shall be addressed to [bidsubmission@nnpcgroup.com](mailto:bidsubmission@nnpcgroup.com)

**SIGNED**

**NNPC MANAGEMENT**