TOTAL E&P NIGERIA LIMITED

OPERATOR OF THE NNPC/TEPNG JOINT VENTURE

TENDER OPPORTUNITY: PROVISION OF CASING & TUBULAR INSPECTION AND MAINTENANCE SERVICES IN ONNE

NIPEX TENDER REF. NO: 1000001987

(1) INTRODUCTION

Total Exploration & Production (TEPNG) Nigeria Limited, operator of the NNPC/TEPNG Joint Venture invites interested and reputable Contractors with suitable equipment, technical capacity and relevant experience to tender for the technical bidding phase for the provision casing and tubular inspection and maintenance services in their Onne base facilities and any other facility as required from September 2017 to August 2019.

(2) SCOPE OF WORK

Services to be provided shall include as a minimum the following:

- The CONTRACTOR is in charge of the Management of the Pipe Yard, and supervises all the dedicated handling and lifting equipment provided by Logistics ONNE.
- The CONTRACTOR is in charge of the daily follow-up of the yard activity, including the recording of the Areas of Concern. A weekly Report including, the stock yard inventory is demanded.
- CONTRACTOR'S base coordinator is required to prepare and submit a daily and forecast activity report to the COMPANY representative.
- The CONTRACTOR is responsible for the electronic recording and follow-up of the status and location of pipes / tubulars and accessories within the Pipe Yard. The records must include arrival date, last inspection date, movement, maintenance planning and all associated references (Purchase number, mill certificates, inspection report, release notes...)
- CONTRACTOR is responsible for the quality assurance of the inspections carried out on all pipes before sending to offshore/onshore operational sites. CONTRACTOR'S duty is to inform COMPANY representative of any anomalies and suggest any action to ameliorate the quality or remediate to any problem.
- CONTRACTOR is to provide on- site, competent administrative support personnel both expatriate and national inspector(s).
- Inspector(s) must have the experience and qualifications necessary to carry out the tasks; they must hold a valid certification ASNT Level 2 for all relevant inspections, and particularly NDT. They must be familiar with the type of connections used by COMPANY.
- The CONTRACTOR shall provide at COMPANY'S request (on a 24-hr callout basis), the equipment necessary to perform all required tasks.

The following summarizes some of the required services;

- Tubular thread inspection
- Tubular body inspection
- Pipe drifting
- Thickness measurement
- Internal and external cleaning
- Internal and external coating
- Inspection and servicing of non-tubular materials e.g. well heads

- Conducting MPI on all conductor pipe pad eyes as at when due
- Receiving of tubular and casing joints from ocean going vessel to ascertain if any damage occurred while in transit
- Bundling of tubular and casing joints for shipment
- Provision of inspection reports to the COMPANY
- Safe storage and handling of tubulars
- Yard management planning
- Weekly and monthly inspection report
- Monthly inventory of tubulars

(3) MANDATORY REQUIREMENTS

(a) To be eligible for this tender exercise, interested contractors are required to be prequalified in the Product/Service Categories 3.07.03 (Surface Treatment and Inspection Services) Category A-D in NipeX joint Qualification system (NJQS) database. All successfully pre-qualified suppliers in these categories will receive an Invitation to Technical Tender (ITT).

(b) To determine if you are pre-qualified and can view the product/service category you are listed for; Open <u>www.nipex-ng.com</u> and access NJQS with your log in details, click on continue Joint Qualification Scheme tool, click check my supplier status and then click supplier product group.

(c) If you are not listed in a product/service category you are registered with DPR to.do business, contact NipeX office at 30, Oyinkan Abayomi Street, Ikoyi Lagos with your DPR certificate as evidence for verification and necessary update.

(d) To initiate the NJQS pre-qualification process, access <u>www.nipex-ng.com</u> to download application form, make necessary payments and contact NipeX office for further action.

(e) To be eligible, all tenders must comply with the Nigerian content requirements in the NipeX system.

(4) NIGERIAN CONTENT

- COMPANY is committed to the development of the Nigerian Oil and Gas business in compliance with the Nigerian Content Act 2010 for Nigerian Content Development.
- As from the commencement of this Act, the minimum Nigerian Content in any project, service or product specification to be executed in the Nigerian Oil and Gas industry shall be consistent with the level set in the Schedule of the Act and any other targets as may be directed by the Nigerian Content Development and Monitoring Board (The Board). Tenderer shall comply with all the provisions of the Nigerian Content Act that relate to this contract but in particular comply with the minimum Nigerian Content 98.2% for the scopes which are covered in the Schedule of the Act and any other requirement that may arise from time to time not explicitly stated in this contract but which apply to the contract in fulfillment of the Nigerian Content Act, in the submission of their Tender.

• Failure to fully comply with the Nigerian Content Act or demonstrate commitment to Nigerian Content Development Policy of the Nigerian government shall result to disqualification from bidding this contract.

As part of their submissions, Tenderer shall:

(1) Develop a Nigerian Content Plan (NCP), which shall explain the methodology of how it intends to comply with the requirements of the Act and how to achieve the set target(s) in the Schedule of Nigerian Oil & Gas Industry Content Development Act and any targets set by The Board.

(2) Demonstrate that entity is a Nigerian-registered company. Submit certified true copies of CAC forms 10, 02 & 07 (or its equivalent; CAC 2.3, 2.4, 2.5, etc.) including company memorandum & article of association and other evidence of entity's incorporation, shareholding & ownership structure in Nigeria. Maximizing Nigerian Content is a key contract priority, therefore for foreign companies and multinationals in alliance with a local company, submit evidence that the local company is an indigenous company and the binding Agreement of the alliance duly signed Agreement by the CEO of both parties and stating the specific work scope to be performed by each member of the alliance.

(3) Provide detailed description of the location of in-country committed facilities & infrastructure (assets, equipment, technical office, and administrative space, storage, workshop, assembly area, repair & maintenance, testing, laboratory, etc.) in Nigeria to support this contract, evidence that 50% of all equipment deployed to work by multinational and international companies are owned by the local subsidiaries.

(4) Provide a project-specific training, man-hour budget, skill development and technology transfer plan for Nigerian personnel or indigenous business including evidence of past performance on training and development for Nigerians nationals & indigenous business. Plan for sponsorship of Nigerians to acquire competence and/or certification. Further development of local employees as professionals. Proposed training plan for Nigerians on the project including a brief training outline for OEM products, engineering, software & hardware, project management, procurement, construction, installation, start-up & commissioning, maintenance, testing and operations.

(5) Provide evidence (personnel list and positions with organization chart to substantiate) of percentage of management that are Nigerian Nationals and the percentage of the total workforce that are Nigerians.

(6) Submit Tenderer's corporate organization's overall human resources structure (mgt., supervisors, senior & junior skilled officers, etc.) identifying positions manned/occupied.

(7) Tenderer shall be expected to submit verifiable evidence of the OEM's Nigerian Content Equipment Certificate (NCEC) issued by NCDMB with their technical package.

(8) Tenderer shall achieve minimum Nigerian Content of 90% by spend as specified in the category of logistic management services target in the NOGICD Act.

(9) Provide details on any other Nigerian Content initiative your company is involved in.

(10) Tenderer shall submit proof of certification from OEM AND ALSO SHOW EVIDENCE of Nigerian ownership of at least 51% of company

(11) Tenderer shall submit verifiable proof of its registration with the regulatory agency i.e. current year valid certificate.

(12) Tenderer should be registered with the NOGICD JQS and also categorized under the NCDMB Energy / Electrical power supply categorization.

(13) Develop a Research & Development Plan which shall explain the methodology of how it intends to promote education, attachments, training, research and development in Nigeria in relation to the contract.

(14) Develop a Technology Transfer Plan which shall explain the methodology of how it intends to promote the effective transfer of technologies from alliance partners to Nigeria individuals and companies.

(15) Develop an employment and training plan which shall explain how first considerations shall be given to employment and training of Nigerians in work programme on the contract, hiring and training needs with a breakdown of the skills needed and anticipated skill shortage in the Nigerian labor force including the training and under study program for succession planning.

(16) Submit a plan for how you intend to give first consideration to services provided from within Nigeria with a list of work packages, 3rd party services and subcontracts that should be reserved for Nigerian indigenous contractors and those for Community Contractors including the list of services that will be provided by companies of Nigerian origin.

(17) Submit a plan for how you intend to give first consideration to raw materials and manufactured & assembled goods of Nigerian origin which shall include a breakdown of all raw materials to be utilized and identifying those that are found locally, finished products and materials that will be procured from Nigerian Manufacturing & assembly plants, finished goods that order can be placed from outside Nigeria through Nigerian authorized vendors and accredited agents and those that would be directly imported.

NOTE: Failure to comply with the provision of the Nigerian Content Act 2010 or to demonstrate commitment to the development of the Nigerian Content Policy shall result is disqualification from this bidding process.

(5) CLOSING DATE

Only Tenderers who are registered with NJQS for 3.07.03 (Surface Treatment and Inspection Services) and 3.04.33 (OCTG Services-Cleaning, Hard banding, Recutting, Re-threading, Storage) Category A-D as **at April 19th, 2017,** being the advert closing date shall be invited to submit Technical Bids and Commercial bids in the planned double envelope tender.

(6) ADDITIONAL INFORMATION

(a) Failure to provide any of the listed documents or information may automatically disqualify the Supplier.

(b) This notice and the ensuing qualification process neither creates any commitment by TEPNG nor establish any legal relationship with TEPNG.

(c) All costs incurred in registering and prequalifying for this and other service categories in NJQS shall be borne solely by the Contractors/suppliers.

(d) This advertisement shall neither be construed as an invitation to Tender (ITT) nor a commitment on the part of TEPNG to award a contract to any supplier and / or associated companies, subcontractors or agents.

(e) The ITT and any further progression of this tender shall be via NipeX. Interested bidders are therefore advised to ensure that their profiles in NipeX are active with a valid official email address accessible by their organization as this shall be the only means to transmit the ITT.

(f) Tendering process will be the NNPC contracting process requiring pre-qualified companies to submit technical and commercial tender together. Following a technical review, only technically and financially qualified contractors will have their commercial tenders opened.

(g) Man hour figures for Capital Project Portfolios are estimates to provide definition to the scope and do not constitute guaranteed quantities.

(h) COMPANY will only recognize and correspond with duly authorized officers of the prequalified bidders and NOT through individuals or agents acting on their behalf.

(i) Interested contractors should note that TEPNG has very cordial relationship with the host communities of the sites where these services will be performed based on existing Memorandum of Understanding (MOU). Prospective contractors will be required to implement the obligations of the MOU as part of their contract.