NEK
Nuklearna elektrarna Krško, d.o.o.
Vrbina 12, 8270 Krško
Slovenija

In pursuance of Article 90 of the Public Procurement Act (ZJN-3, Official Gazette of the Republic of Slovenia No. 91/15) Nuklearna elektrarna Krško, d.o.o., Vrbina 12, 8270 Krško (hereinafter: Purchaser), represented by Stanislav Rožman, President of the Management Board, and Hrvoje Perharić, Member of the Management Board, issues the following

DECISION ON CONTRACT AWARD

The Contract for »**SUPPLY OF SLUDGE LANCING, INNER BUNDLE LANCING AND REMOTE VISUAL INSPECTION OF STEAM GENERATORS**« has been awarded to the Bidder:

SRA SAVAC, Division Nucleaire, 93, rue Jacquard, 69516 Vaulx En Velin, France

Explanatory Note

The Purchaser has implemented public bidding negotiation procedure with prior notification for "**SUPPLY OF SLUDGE LANCING, INNER BUNDLE LANCING AND REMOTE VISUAL INSPECTION OF STEAM GENERATORS"** published on 26 June 2017, No. JN006293/2017-E01 and June 27, 2017 on "Tenders electronic daily" under 2017/S 120-243410. The original deadline for Bid submittal, 21 August 2017 at 1.00 p.m. was extended to 5 September, 2017 at 1.00 p.m. and published on 17 August 2017, No. 2017/S 156-324315.

By the bidding due date 5 September, 2017 at 1:00 p.m CET, two Bidders submitted their Bids on time with the following basic elements:

Order of Bids Receipt	*Bidder's Name*	*No. of Bid*	*Date & Time of Bid Receipt*	*Bid Price (VAT excl.)*
1.	AREVA GmbH, Erlangen, Germany	F.028529-B-00	August 29, 2017, at 1:23 p.m.	EUR 449.000,00
2.	SRA SAVAC , Vaulx En Velin, France	17/53/DE172A/ LC/MB	September 5, 2017 at 11:09 a.m.	EUR 480.375,00

The Purchaser checked the completeness of the Bids and decided to request clarifications from both Bidders on 15 September 2017 related to Paragraph 22 of the Bidding Documentation in order to ensure formal completeness of their Bids and thereby to qualify their Bids for negotiations.

By the deadline for submittal the required clarifications September 29, 2017 the Bidders submitted required clarifications and Purchaser established that both Bidders fulfilled conditions and their Bids were permissible.

Both Bidders were invited to the 1st round of written negotiations related to technical, QA and commercial part – Article 16-Liability and Article 22 – Suspension of Work and Termination of the Draft Contract, on October 12, 2017 with the response due date October 23, 2017.

Both Bidders submitted their responses in time. The Bidders were invited to submit their Final Bids on October 27, 2017. By the bidding due date November 9, 2017 at 1:00 p.m. both Bidders submitted the Final Bids with the following basic elements:

Order of Bids Receipt	*Bidder's Name*	*No. of Bid*	*Date & Time of Bid Receipt*	*Bid Price (VAT excl.)*
1.	AREVA GmbH, Erlangen, Germany	F.028529-B-00	November 9, 2017 at 7:40 a.m.	EUR 445.000,00
2.	SRA SAVAC , Vaulx En Velin, France	17/53/DE172A/ LC/MB	November 7, 2017 at 12:51 a.m.	EUR 427.000,00

The Purchaser reviewed the completeness of the Final Bids on November 16, 2017.

Bid completeness and evaluation

In accordance with Article 2 and paragraph 1, Article 89 of ZJN-3 the Purchaser has verified if the Bids are complete and permissible on the following grounds:

- they fulfill all the conditions/requests specified in the Invitation for Submittal of Bid/RFQ
- they were submitted on time
- they show no evidence of unpermitted settlement with other potential Bidders or corruption
- they were not evaluated by Purchaser as the Bid with unusually low Unit and Total Price
- their price does not exceed the Purchaser's funds available for the purchase

The Purchaser then classified the submitted Bids according to the pre-established criteria.

➢ **Bid completeness**

1. SRA SAVAC Final Bid is complete and permissible.

2. AREVA GmbH Final Bid does not fulfill all the conditions and is therefore not permissible.
   a.) It failed to meet technical and QA in the following paragraphs :

- 2.5.23: AREVA agreed (23/10/2017) to delete the sentence in the note: Change of time range... but in the final bid it is still present.
- 2.5.25: Ion exchanger with qualified resin filters has to be in continuous operation not only on stand-by. Experience from outage in 2012. AREVA has agreed to have the resins in continuous operation, but in the final bid the same sentence is still present.
- 2.5.27, 3.2, 4.3: Additional working days for FOSAR activities and additional risk assessment performed by AREVA SG Engineering department is not accepted by NEK as explained in negotiation phase. In the final bid the same AREVA requirement is still present.
- 2.5.32: In order for AREVA GmbH to be granted as NEK approved supplier NEK has a right to access and conduct an audit at AREVA GmbH with no additional cost to NEK as explained in negotiation phase. In the final bid the same AREVA requirement is still present.
- 5.28 & 6. – M0: Exact time schedule will be provided 1 month prior outage. See TS IN 8170878 article 9. This was accepted by AREVA during negotiation, yet in the final bid the statement is still not changed.
- 6. –M4 + Note: FOSAR is not optional scope but part of basic scope and will be done if foreign objects are detected and classified according to EPRI TR 1020989 SGMP as dangerous and in unwanted high risk zones. FOSAR will also not be invoiced separately. This was accepted by AREVA during negotiation, yet in the final bid the statement is still not changed.
- 9.1: Additional costs due to high dose will not be reimbursed by NEK. This was accepted by AREVA during negotiation, yet in the final bid the statement is still not changed.

b.) The Final Bid as an integral part of the Contract includes the Areva's General Conditions for Supply of Products and Services (AGC) which represents changes to NEK draft contract (the Contract) in the following paragraphs:

- I.3 AGC states condition that Areva has obligations only if compulsory rules are fulfiled whereas Contract in 14.2 states Seller shall be responsible for all dealings with Governmental agencies outside Slovenia with only exception being Force majeure circumstances;
- III.6 AGC states in case the Purchaser is in delay with payment Areva is entitled to interest for delay of 8 % whereas Contract states in 22.3 in case the Purchaser is in delay with payment Areva is entitled to terminate Contract and to such part of contract price as reasonably allocable to Scope already executed and reimbursement of all direct expenses;
- IV. AGC states retention of title whereas Contract states in article 6 that Incoterm DAP NPP Krško Site regulates risk of loss and transfer of title.
- V.3 AGC states that in case of force majeure reimbursement of unavoidable cost is Purchaser cost and in V.7 that in case shipment is delayed for reasons not attributable to Areva Purchaser may be charged and in XII.4 and 5 that Areva is entitled to reasonable adjustment of contract in case of force majeure and that also includes adjustment of price whereas Contract states in 21.6 that each party bears its own costs under force majeure circumstances;

- X.1.c) AGC states warranty period of 12 and maximum of 24 months whereas Contract in 12.2 and 12.3 states warranty period of 18 months and a fresh warranty period of 18 months;
- XIII.7 states that Purchaser waives any claims against the Areva for any damages incurred through a nuclear incident whereas Contract in 16. 2 states that Seller is liable for damages to power plant and on site property;
- XVI.6.f) AGC states that in case of termination of contract due to reasons Areva is not responsible for Areva is entitled to adequate loss of profit whereas Contract in 16.1 states that Purchaser is not liable for loss of profit arising at any time, whether fond on contract, tort, strict liability or otherwise and in 22.3 that Areva is entitled to such part of contract price as reasonably allocable to Scope already executed and reimbursement of all direct expenses.

➢ **Bid classification as per criteria**

The permissible Final Bid of Sra Savac was evaluated based on the pre-established criteria in the NEK Bidding Documentation No. 76/17-8170878 Section 7 (Attachment 1: The Criteria for Bid Evaluation and Evaluation of Final Bid.docx).

Based on the above said, the Contract for »**SUPPLY OF SLUDGE LANCING, INNER BUNDLE LANCING AND REMOTE VISUAL INSPECTION OF STEAM GENERATORS**« has been awarded to the Bidder **SRA SAVAC, Division Nucleaire, 93, rue Jacquard, 69516 Vaulx En Velin, France,** as the qualified Bidder who is in a position to perform the subject Contract under the terms and conditions and within the period of time as required by Purchaser.

Legal instruction

The bidders who were not selected are allowed to submit a request for review/revision within eight working days from the receipt of the decision on award or elimination of public procurement in compliance with Legal Protection in Public Procurement Procedures Act (ZPVPJN, OG RS No.43/2011, No. 63/13 and 90/14). The bidder shall submit a request for revision to the purchaser, and send its copy also to the ministry responsible for finance, Public – Private Partnership Division and Public Procurement System. The request for revision shall be submitted by registered post with acknowledgement of receipt or in electronic form if verified with qualified certificate. The applicant must submit with the request for review the bank certificate for the payment of tax in the amount of EUR 10.418,80 to the account of the Ministry of Finance No: 01100-1000358802, reference 11 16110-7111290-xxxxxx17 (The first six X digits represent the number of publication on the public procurement portal and the last two, year of publication).

Hrvoje Perharić
Member of the Management Board

Stanislav Rožman
President of the Management

Krško, November 22, 2017

Attachment 1

The Criteria for Bid Evaluation and Evaluation of Final Bid

COMMERCIAL CRITERIA	AREVA GmbH	SRA SAVAC	MAX SCORE 70%
1. Price For each 1% difference to the lowest Final Fixed and Firm Total Bid Price of the Price Breakdown Table given in Attachment No. 1 –Bid Form, the score is reduced by 2%. The difference of 20% to the lowest price offered results in score = 0%.		50	50
2.Deviation from Payment Milestones Each deviation in percentage results in reducing the score by 2% (max deviation per milestone is 5%).		10	10
3.Liquidated Damages Each deviation in percentage results in reducing the score by 1% from the proposed Liquidated Damages as stated in the Contract Art. 10.		10	10
Total Commercial Criteria		70	70
TECHNICAL CRITERIA			MAX SCORE 30%
1.Intervention Team Team for NEK Intervention consists of workers engaged on the same project referenced in Attachments No.5 and No.11			10
≥50% of the permanent team		10	10
40<x<50%			8
30<x<40%			6
20<x<30%			4
10<x<20%			2
x<10%			0
2. Impact on the Outage Plan Impact on Phase H9 in Outage Plan (Impact on Critical Path) according to Schedule in Paragraph 9 of NEK Technical Specification			5
No impact (No delays)		5	5
Minor Impact (less than 5 hours delay)			2
Large Impact (more than 5			0

hours delay)			
3. Communication in English Language Intervention team workers Have a good command of English			10
x ≥ 80% of the personnel			10
40<x<80% of the personnel		5	5
x < 40% of the personnel			0
4. Area Needed for assembling and manipulation in Reactor Building (RB)			5
All Bidder's Equipment is to be fitted in required area of RB surface			
10 square meters or less			5
12 square meters		4	4
14 square meters			3
16 square meters			2
18 square meters			1
Total Technical Criteria		24	30
TOTAL		**94%**	**100%**