



# Call for Nomination for the Balance of Plant Group 4, Installation Multi-Process Lines

## PROCUREMENT SUMMARY

### 1 Introduction

The Call for Nomination the first step of the Procurement Process leading to the execution of an installation works contracts, called “Balance of Plant Group 4, Installation Multi-Process Lines” also called “the Contract” in this document.

The purpose of this document is to provide a summary description of the Contracts, in terms of scope and program of works, required competences and contractual provisions and to present the Procurement Process.

The Domestic Agencies are invited to nominate companies, institutions or other entities that have expressed an interest in participating in this Call for Tender and that are capable of providing works and associated supplies and services for the Contract.

### 2 Background

#### 2.1 The ITER Project

The ITER Facility is a first-of-a-kind megaproject involving key technologies and complicated interfaces between systems and sub-systems. Moreover, ITER is a Basic Nuclear Installation (INB) that shall be constructed in accordance with the French Nuclear Laws and Regulations, as well as European Codes and Standards.

For a complete description of the ITER Project, covering both organizational and technical aspects of the Project, visit [www.iter.org](http://www.iter.org).

#### 2.2 Scope of the Contract

Due to the specific skills necessary for this scope, the contract will be awarded to a specialist in Multi-process Lines, working at the following IO locations:

- Building 52 – Cold boxes cryoplant building, plus limited zone in area 53
- Plant Bridge (PB) – Cryo-Bridge between Building 52 and Tokamak building 11
- Building 11 - Tokamak building in which MPLs are present at six different areas L3 galleries, L2, L1 and B1 north and south shafts, B1 port cell, B2 galleries and B2M lower pipe chase.

For more details see Section 3.1 of Annex I.



### **3 Required Competences**

See section 5 of Annex 1.

## **4 Contractual provisions**

### **4.1 Contracts Type**

The contract type will be a measurable works contract based on a Bill of Quantities, a Schedule of Unit Rates and an estimated Program of Works (volume and time schedule).

Each Contract will start with a preparation and then a mobilization period in order to ensure a common thorough understanding of the technical and management requirements and constraints, to set-up a solid integrated organization and associated Contract implementation processes and procedures, and hence to secure the full speed of assembly operations.

The terms and conditions of the Contracts will follow the “Conditions of Contract for Construction” (for building and engineering works designed by the Employer) also called “FIDIC RED BOOK Edition 1999” published by the Fédération Internationale des Ingénieurs-Conseils (FIDIC Copies of the Red Book can be obtained directly from the FIDIC web site [fidic.org/bookshop](http://fidic.org/bookshop)).

The IO has appointed the MOMENTUM SNC (Joint Venture) as their Construction Management-as-Agent (CMA) contractor in charge of coordinating and supervising the site works. The CMA will also be appointed to undertake the role of the Engineer (as described in the FIDIC Red Book) for the administration of the Contract.

### **4.2 Nuclear Liability**

The ITER Organization is the nuclear operator of the ITER nuclear fusion facility (INB 174) under French nuclear law. However, unlike other nuclear operators of nuclear fission installations in France, nuclear fusion installations are not covered by the Paris Convention on nuclear third party liability for the time being. Pending negotiations with the Contracting parties to the Paris Convention, the special nuclear liability regime (i.e. limited strict liability of the nuclear operator) implemented by the Paris Convention does not apply.

Therefore, the ITER Council, by a decision of 2009 endorsed that until a solution is found, the ITER Organization may assume this responsibility by providing a declaration and waiver of indemnity regarding nuclear liability to indemnify suppliers of the IO and their subcontractors in case they are held liable, based on the principles of the Paris convention, this in the understanding that if no regulatory solutions could be found before nuclear operations of the ITER facility started, a proper mechanism would be established by the ITER Members in accordance with Article 15 of the ITER Agreement.



This declaration and waiver of indemnity regarding nuclear liability signed by the IO will be included in the Contract.

### 4.3 CEAR Insurance

The ITER Organization and Fusion for Energy (the European Domestic Agency responsible for providing buildings to the ITER Organization) have taken out an insurance policy to cover:

- the risk of physical loss or material damage to the Project arising from whatsoever cause except if excluded,
- as well as to cover all sums which the Insured shall become legally liable to pay in respect of or arising from accidental bodily injury to or illness of third parties and accidental loss or damage or destruction to property belonging to third parties occurring during the construction/erection period on the construction site and arising from or in connection with the Insured Project unless excluded (CEAR Insurance Policy).

Contractors, Subcontractors of any tier and suppliers and/or consultants (in respect of their site activities) are also covered by this insurance policy and as such are only liable for the deductible, the exclusions or above the limit of coverage mentioned in the insurance policy in accordance with the insurance certificate that will be provided during the next phase of the tender process.

The CEAR insurance policy subscribed by the ITER Organization and Fusion for Energy shall not affect the contractor's liabilities or obligations.

## 5 Procurement Process

The Procurement Process, starting with this Call for Nomination, aims at signing an installation works contracts called “Balance of Plant Group 4, Multi-Process Lines Installation Works”

### 5.1 Procurement Procedure

The type of Procurement Procedure selected for the award of the Contract is the *Call for Tender* procedure.

The Call for Tender procedure is composed of the following steps:

➤ Stage 1- Call for Nomination (CFN):

The Call for Nomination is the first stage of the Call for Tender process. The IO formally invites the Domestic Agencies to nominate potential Candidates that are capable of providing the required supplies, services or works in order to enable the IO to pre-qualify the nominated companies. The Domestic Agencies publish this document on their respective websites as an invitation for Candidates to express their interest to them for this procurement.

➤ Stage 2 - Pre-Qualification (PQ):



Following the Call for Nomination, the nominees are invited to submit a Pre-Qualification Application. The Pre-Qualification process ensures that tender offers are sought only from qualified Candidates who have the requisite capacity and experience to satisfactorily perform the intended work. The aim of the Pre-Qualification is to establish a list of qualified Candidates (Consortium or single entity) based on the set of selection criteria.

➤ Stage 3 - Call for Tender (CFT)

Following the Call for Nomination and the Pre-Qualification stages, the Call for Tender stage is used to obtain offers from qualified Candidates identified as potential Tenderers.

➤ Stage 4 – Tender Evaluation:

This Call for Tender process follows a two envelope evaluation method comprising separate technical and financial assessments.

The evaluation methodology to be used is Best Value for Money (BVFM) (a score of 60 for technical and a score of 40 for financial). The award criteria to be applied during the evaluation process will be fully described in the Instructions to Tenderers. Only technically compliant tenderers will have their financial offer evaluated.

➤ Stage 5 – Contract Award:

Following the tender evaluation, the tenderer offering the IO the BVFM will be awarded a contract for the works.

## 5.2 Procurement Process Timetable

The tentative timetable is as follows:

Milestone	Date
Call for Nomination	October 2017
Invitation for Pre-qualification Applications	November 2017
Pre-qualification Applications Submission	February 2017
Invitation to Tender Issued	March 2017
Tender Submission	June 2018
Contract Award	October 2018
Contract Signature	November 2018
Commencement Date	February 2019

The estimated duration of the contract is estimated to be between 5 and 6 years.

## 5.3 Candidature

Participation is open to all legal persons participating either individually or in a grouping (consortium) who belong to an ITER Member State:

- European Union including Switzerland (EURATOM Members),



- Republic of India,
- Japan,
- People's Republic of China,
- Republic of Korea,
- Russian Federation,
- United States of America.

A legal person cannot participate individually or as a consortium partner in more than one application or tender of the same contract. A consortium may be a permanent, legally-established grouping or a grouping, which has been constituted informally for a specific tender procedure. All members of a consortium (i.e. the leader and all other members) are jointly and severally liable to the ITER Organization.

The consortium grouping shall be presented at the Pre-Qualification stage. The Candidate's composition cannot be modified without the approval of the ITER Organization after the Pre-Qualification.

In order for a consortium to be acceptable, the individual legal persons included therein shall have nominated a leader with authority to bind each member of the consortium and this leader shall be authorised to incur liabilities and receive instructions for and on behalf of each member of the consortium. Evidence of such authorisation shall be submitted with the Pre-qualification Application and the Tender in the form of power of attorney signed by legally authorised signatories of all the members.

## **5.4 Contracting Rules**

The restrictions mentioned below apply to Parent Companies as well as to subsidiaries.

### *5.4.1 Parent Companies and Ownership*

By "Parent Companies", it is meant a firm that owns or controls other firms (called subsidiaries) which are legal entities in their own right. IO will consider as a subsidiary a company controlled by another (the parent) through the ownership of greater than 50 percent of its voting stock. This basically represents 50% + 1 vote.

Voting Stocks (or voting shares) are the ordinary shares the ownership of which gives an entity the right to vote in the issuing firm's annual general meeting. The ultimate and exclusive right conferred by a lawful claim or title and subject to certain restrictions to enjoy, occupy, possess, rent, sell, use, give away, or even destroy an item of property.

Parent Companies can be a holding company. In that particular case, and in order to simplify the implementation of this principle for holding companies, which definition can vary with the legal system, the IO will retain the same definition as for Parent Companies (> 50% of voting shares).

### *5.4.2 Overall Contracting Rules*

Considering the Worksites and works contracts as described briefly below, a company or a consortium may tender for multiple contracts, but the IO intends to restrict the amount of installation work at the IO site which is awarded to an entity.



The following limits will be applied by the IO for the awarding of Works Installation Contracts to any one company, or any member of a consortium or any sub-contractor. A maximum of 1 (one) contract in any of the following areas of the Site:

- Tokamak Assembly - Worksite 1
- Tokamak Complex - Worksite 2

It is planned to have a total of five major Works installation contracts, outside the Tokamak Assembly and the Tokamak Complex, for Worksites 3 to 5 called Balance of Plant (BOP) Installation. These are:

- BOP Gr 1: Balance of Plant Installation,
- BOP Gr 2: Cooling Water Plant Installation,
- BOP Gr 3: Non-Nuclear Buildings,
- **BOP Gr 4: Multi-Process Lines Installation**
- BOP Gr 5: Installation of Busbars, Switching Unit and Fast Discharge Units.

For the five Balance of Plant contracts listed above Candidates will be limited for appointment to a maximum of three of these contracts.

#### *5.4.3 Sub-contracting Rules*

All sub-contractors who will be taken on by the Contractor shall be declared with the tender submission. Each sub-contractor will be required to complete and sign forms including technical and administrative information which shall be submitted to the IO by the tenderer as part of its tender. The IO reserves the right to approve any sub-contractor which was not notified in the tender and request a copy of the sub-contracting agreement between the tenderer and its sub-contractor(s).

For each Contract, sub-contracting is allowed but it is limited to one level, and its cumulated volume is limited to 30% of the total Contract value.

Two levels of sub-contracting may be considered for very specific activities which will be mentioned by the IO in the Pre-qualification documentation.

At Pre-qualification stage, the capacity of sub-contractors is not considered.

#### *5.4.4 Particular Conflict of Interest Situations*

Any company (consortium, members, sub-contractors and their experts) who participates in the preparation of the procurement documents or otherwise is involved in or works on any other information relevant to this Procurement Procedure is neither allowed to participate in this Procurement Process nor allowed to participate in the resulting Contract.

This rule is applicable but not limited to any company involved in the following IO contracts (as single entity, consortium member or sub-contractor):



- Construction Management-as-Agent Service Contract – ref. IO/16/CT/4300001334, whatever the scope of services of the company in this contract.

## 6 Annexes

### Annex 1:

Technical Summary for the Balance of Plant Group 4, Multi-Process Lines  
Installation Works

Ref. ITER\_D\_ VJXRGR