

# **Tender Evaluation Plan**

RFT | SR30379613 | Central-West Orana Renewable Energy Zone Non-Contestable Works

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## 2. Overview and Objectives

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### 2.1. General

This document describes in detail the methodology to be used by the Tender Evaluation Committee (TEC) for the evaluation of all tenders received in response to the Request for Tender (RFT) SR30379613 issued on Friday 22<sup>nd</sup> March 2024 for the Central-West Orana Renewable Energy Zone Non-Contestable Works for the CWO REZ NC Project. The Network Augmentations consist of the following six (6) Separable Portions:

- Separable Portion 1 (**SP1**) – Detailed Design and management plans i.e., all works required to be ‘Construction Ready’.
- Separable Portion 2 (**SP2**) – 500kV Barigan Creek Switching Station Cut-In (including works at Wollar Substation, Bayswater Substation and Mt Piper Substation)
- Separable Portion 3 (**SP3**) – 330kV Transmission Line Bayswater and Liddell
- Separable Portion 4 (**SP4**) – Substation Works Bayswater and Liddell
- Separable Portion 5 (**SP5**) – 330kV Transmission Line Mt Piper and Wallerawang
- Separable Portion 6 (**SP6**) – Substation Works Mt Piper and Wallerawang

The Tender Evaluation Plan (TEP) will be deemed to cover all separable portions equally, unless specifically identified as pertaining to one separable portion or the other.

## 2.2. Definitions

Terms used in this document (unless otherwise defined) have the same meaning as identical terms defined in the RFT.

The following defined terms apply to the TEP.

Term and / or Abbreviation	Definition
Best and Final Offer (BAFO)	Final offer submitted by Tenderers that includes the Commercial and Technical departure table.
Contentious Departures	Contentious Departures defined as departures that have a significant risk or cost impact for Transgrid, and/or are inconsistent with our upstream position(s) under the Project Deed or other contractual arrangement.
CWO REZ NC	Central-West Orana Renewable Energy Zone Non-Contestable Works.
SharePoint Site	CWO REZ NC SharePoint site location where Tender Evaluation documents will be securely stored with access restrictions: <a href="#">RFT Evaluation - All Documents (sharepoint.com)</a> .
Deadlock	Refers to a scenario where evaluators produce even scoring for both Tenderers or evaluators produce scoring that differs by 3 or more after round 2 scoring activities.
D&C	Refers to Design and Construction Works to be undertaken if the Tender is accepted and a D&C Contract is awarded to a Tenderer.
D&C Contract	The final contract to be awarded to a Tenderer and executed between the parties if successful in the form of GCoC V14.
Evaluator	Is a member of the evaluation panel as described in clause 2 with responsibility for the review activities described further in this document.
General Conditions of Contract (GCoC)	Transgrid General Conditions of Contract Version 14.
TEC Chair	Is the position detailed in Section 3.2.
ibuy	Transgrid SAP Ariba, Enterprise Resource Planning software used to issue, monitor and evaluate the RFT.

InEight	Transgrid document control software used to transfer large (>100mb) files during the RFT.
Non-Contentious Departures	Non-Contentious Departures defined as departures which do not have a significant risk or cost impact for Transgrid and/or are not inconsistent with our upstream position(s) under the Project Deed or other contractual arrangement. These departures however may prolong the negotiations.
Probity Advisor	Has the meaning in Section 3.3.
Procurement Representative	The procurement person allocated to the RFT, and responsible for the administration of the RFT in ibuy. The Procurement Representative will also undertake the role of Evaluator for commercial items.
Project	Means Central-West Orana Renewable Energy Zone Non-Contestable Works.
RFT	Means Request for Tender (RFT), being the sourcing event for the Package described in the RFT documents.
RNIP	REZ Network Infrastructure Project.
Tender	The items (returnable schedules) that the Tenderer must submit in response to the RFT.
Tenderer	Means the contractor invited to participate in an RFT and submit a Tender for the Project, as described in that RFT.
TEC	Is the Tender Evaluation Committee, collectively responsible for conducting the RFT evaluation and selecting the final Tenderer for award of a D&C Contract.
TEC Business Advisors	Has the meaning in Section 3.5.
TEP	Tender Evaluation Plan, meaning this document.

## 2.3. Objective

The aim of this Tender Evaluation Plan (TEP) is to document a fair, impartial, rational and transparent process for the assessment of the Tenders received for the Project Network Augmentation D&C Request for Tender (RFT), in order to identify and recommend for approval the most technically suitable and best value for money offer, which meets the requirements of the RFT issued to Tenderers on 22<sup>nd</sup> March 2024.

## 2.4. Approvals

The TEP, including the evaluation, have been reviewed by the TEC, and approval will be requested through ibuy. The ibuy approval will be appended to this document after approval is complete.

## 2.5. Tenderers

The RFT was issued to the following Tenderers on Friday 22<sup>nd</sup> March 2024:

- [REDACTED]
- 2. Zinfra Pty. Ltd.
- [REDACTED]
- [REDACTED]

Pursuant to the Procurement Strategy and the withdrawal of both [REDACTED] and [REDACTED], it is the objective of the Project to maintain competitive tension between the two (2) remaining Tenderers, therefore, both Tenderers will progress to BAFO stage.

## 3. Governance

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### 3.1. Tender Evaluation Committee

The RFT response evaluation will be completed by the Tender Evaluation Committee (TEC). The TEC members are provided in Appendix 3 – TEC Organisational Chart.

Delegations of Evaluator and Business Advisor functions must be done with the approval of the TEC Chair and must be to someone with equal qualification or experience or above to the person initially nominated for the Evaluator or Business Advisor role.

Delegations are permitted only in the following circumstances:

- a. the delegation provides review of an item that requires specific expertise that the delegate does not believe can be adequately assessed by themselves.
- b. the person originally nominated is unable to perform the function for reasons beyond their control.
- c. the Evaluator declares a conflict of interest or that there may be a perceived conflict of interest that the Evaluator feels cannot be mitigated or overcome, and they believe it is best for project not to continue to evaluate (this must be approved by the TEC Chair). For the avoidance of doubt, the removal from the Evaluator role for any reason under this clause 2.1(c) is not considered a statement of fact, but precautionary so that conflict or bias cannot be inferred by another party.

### 3.2. TEC Chair

The TEC Chair will be responsible for overseeing the evaluation including approving delegations, requesting reviews from outside parties, chairing evaluation meetings, determining if further clarifications and a second round of reviews are required and approving the final evaluation proposal to award to be put forward for approval to the business.

The TEC Chair will participate in evaluations and reserves the right to question reviews or ask questions regarding the content and to confirm why a particular finding or score was made.

The TEC Chair will be responsible for approving or arbitrating whether clarifications can be issued and whether additional rounds of clarifications may be made. The TEC Chair is responsible for escalating any issues to the relevant stakeholders.

The TEC Chair has the authority to make a definitive decision in the event that there is a deadlock.

### 3.3. Probity Plan

The Probity Advisor is not a part of the Evaluation Team but an independent observer of the RFT process and will not be involved in the actual evaluation of any RFT submission. The Probity Advisor's role in the RFT evaluation process will include the following:

- a. Providing advice to assist Transgrid ensure the procedures adopted in the receipt of the RFT submissions and the RFT evaluation process is fair and equitable and that the probity of the process is independently overseen;
- a. providing confidence to all interested Tenderers that appropriate processes are fully adhered to and that no Tenderers are given an unfair advantage or are unfairly discriminated against.
- b. providing guidance to the Evaluation Team in relation to mitigating and resolving any probity issues associated with the Tenderers.
- c. attending Evaluation Team meetings where relevant;
- d. attending any Tenderer meetings and presentations;
- e. monitoring communication between Transgrid and the Tenderers during the period between submission of Tenders and the shortlisting for BAFO;
- f. attending debriefing meetings of the successful and unsuccessful Tenderers, where applicable; and
- g. preparing a report outlining the work performed, any issues that arose during the process and reporting on whether there are any outstanding probity issues associated with whether the evaluation process and procedures have been appropriately followed.

Any member of the Tender Evaluation Committee who has any concerns about the conduct or probity of the selection process should promptly bring their concerns to the attention of the Probity Advisor.



The Probity Advisor is RSM Australia Pty Ltd. In respect of probity issues, Tender Evaluation Committee members may contact the nominated Probity Advisor as follows:

Name: [REDACTED]

E-mail: [REDACTED]

### 3.4. TEC Evaluators

Evaluators must review the submissions based on the documents provided and ensure that the basis of evaluation is concentrated on the submissions by the Tenderer, objectively supporting positions with reference to the submitted Tenders. Evaluators must not discuss the evaluation unless permitted by this TEP and must seek guidance about probity and permitted actions where the Evaluator is unsure of correct procedure or permissible actions. Evaluators must understand and be open to substantiating the evaluation to a third party or provide any evidence required to support the process and due diligence followed during the process of the evaluation.

All evaluators are required to act with integrity and in accordance with the Procurement Procedure. Failure to do so will result in the expulsion from the TEC by the TEC Chair.

### 3.5. TEC Business Advisors

TEC may consult other business stakeholders for advice regarding the evaluation of Tenders for business compliance, as subject matter experts (SME's), or to provide nomination of personnel to undertake a review of the evaluation process undertaken and the outcome of that evaluation. The purpose of the review would be to ensure the process is aligned to the TEP, that the evaluation reflects the criteria set, and the Tender documents submitted, and that the outcome is reasonable and accurate based on the documents evaluated. Those nominated to perform any of the duties above will be deemed a TEC Business Advisor. General Members have been approached to nominate a TEC Business Advisor based on the area of expertise required. The TEC Business Advisors where possible, should be separate to the Project, unless named by exception in this document. TEC Business Advisors may request to participate in the Tender Evaluation Opening Meeting.

### 3.6. Risk Monitoring

A member of the project team that is not part of the evaluation but is required to actively record and monitor any risks highlighted during the evaluation process in order for Transgrid to perform any risk workshops or assessments during the evaluation process. The risk workshops are an integral part of ensuring that the selected Tender is suitable and fit for purpose, and all risks are considered and mitigated or highlighted to be closed out during the Design phase of the D&C Contract, prior to any Work commencing.

The nominated Project team member to record and monitor risks is [REDACTED] Senior Program and Risk Planner.

### 3.7. Conflict of Interest and Confidentiality

Prior to the commencement of the Tender evaluation process, Procurement will obtain an executed Confidentiality and Conflict of Interest Declaration from each member of the TEC, any approved delegates,

and all TEC Business Advisors (before appointment) to ensure conflict of interest and confidentiality is managed within Transgrid's governance framework.

Any person with a declared evaluation role must detail any circumstances that may give rise to an actual or potential conflict of interest by using the declaration contained in the TEP, Attachment 4.

The establishment of security procedures for handling tender-related documents are as follows:

- requiring all TEC Members (including advisors) with access to tender information to sign an appropriate confidentiality undertaking,
- storing documents which contain tender-related, commercially sensitive information in appropriately secure conditions on the CWO REZ NC SharePoint site,
- allowing only authorised officials with a direct 'need-to-know' access to tender-related sensitive information.

Any person with a declared evaluation role must be instructed by the TEC Chair of the TEC that each tender response contains confidential information and as such should be treated in the appropriate manner and not left highly visible or easily accessible outside of the nominated secure SharePoint location. Confidential information includes but is not limited by the content of bids, any supporting information provided by Transgrid, the Tenderers or third parties and the outcomes of the assessment. All evaluation material must be treated in the same manner. Technical and Commercial shall remain apart and the technical Evaluators will not have any access to Commercial Evaluation information until the time permitted in this document. Commercial Evaluators with access to technical information that supports the Commercial Evaluation must not discuss any commercial matters with the technical Evaluators under any circumstance, until the time permitted by this document. The TEC Chair will be provided a copy of the Technical Evaluation information only until the first round of Technical Evaluations are complete.

### **3.8. Regulatory Approvals Team**

Due to the tight time frame afforded for the Regulatory Approvals Team to prepare and issue the Revenue Proposal, nothing in this TEP prevents any required Tender information submitted from being issued to the Regulatory Approvals Team, as long as the following is applied:

- Only the personnel directly associated or connected with the submission, that require access to the Tender Information have access to those documents;
- They comply with any confidentiality requirements;
- Personnel are aware of the security requirements for the Tender documents;
- That personnel are aware of the Evaluators and their role in the Tender Evaluation process and confirm with the Procurement Representative and/or the Probity Advisor, what information from the Tender may be discussed during the different periods in the Evaluation.

## 4. Evaluation Method and Process

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The following steps will apply to the evaluation methodology and process to be applied to the RFT evaluations required in this document.

### 4.1. RFT Responses – Initial Evaluation

#### 4.1.1. Initial Actions and Compliance

Once the Tender close date has occurred and access to the Tender responses are provided in ibuy, the Procurement Representative will download the Tender responses to the nominated SharePoint location.

Tender responses will be examined to:

- a. Confirm the Tender contains all mandatory submissions as provided in the RFT.
- b. Identify any omitted or incomplete information/questions.
- c. Identify errors or discrepancies in the Tenders, which may need to be rectified; and
- d. Identify qualifications, which vary with the specified technical or commercial requirements of the RFT.

The Procurement Representative will save the documents to the nominated SharePoint secure file location. Any meetings required or organised in connection with this TEP, will require either recording via MSTeams or to be minuted for record. Minutes should be uploaded into ibuy, or a record of the date of the recording stored, and attendance records attached.

#### 4.1.2. Disqualification/Non-compliance of Tenderers – Mandatory Requirements

If the Tenderer has conformed and submitted all information required for the Mandatory Requirements, as outlined in the RFT Part 1.1. and Section 1. Mandatory Criteria of the Tender Evaluation Matrix, the Tenderer will automatically be selected for evaluation. If the Tenderer has provided insufficient information comparable to the mandatory criteria, then the review and acceptance of the Tender for evaluation will be subject to the requirements in clause 3.3. Once a Tenderers submission is approved for the evaluation, the next step is the Tender Evaluation Opening Meeting.

#### 4.1.3. Tender Evaluation Opening Meeting

At this meeting the contents of the evaluation will not be specifically discussed, bar any allocation of the Tender to specific members of the evaluation team. This may be by a specific question or entire subsection of the Technical Evaluation and may be allocated based on the Evaluators experience or expertise.

The meeting is primarily to reconfirm the roles and responsibilities of each member, the obligations for confidentiality and conflict of interest, storage of documents and security of information, timing for the Evaluator to complete the review and the Evaluators tasks associated with the evaluation to be undertaken.

The TEC Chair once having completed their evaluation may elect to review the Technical Evaluation information, after the Evaluators have commenced the review. The TEC Chair must not discuss the evaluation or the results until the First Review Meeting. The purpose of the TEC Chair evaluating the technical information is to ensure that the TEC Chair is fully briefed prior to any review meetings occurring to enable

the TEC Chair to be able to provide feedback and record any items normalised during the first briefing and to allow a balanced decision regarding clarifications requested, rather than solely rely on an Evaluators opinion alone (which should not unreasonably be ignored).

#### **4.1.4. Evaluation Review Meetings**

Evaluation Review Meetings will be conducted in the following sequence:

Evaluators will submit reviews (Commercial Evaluation and Technical Evaluation) to the Procurement Representative, fully scored. This scoring will be uploaded into ibuy, and the Procurement Representative will confirm that the Evaluation Meeting can commence. The purpose of the Evaluation Meeting is to review scoring and reasons provided for that scoring, review potential clarifications to be sent to the Tenderers and confirm if any additional reviews are required, or advice is to be sought from the TEC Business Advisors. If clarifications are required from the Tenderers, the Procurement Representative will submit these through ibuy and provide timing for a response. Once the responses are received these will be saved to the secure folders and the Evaluators will be notified and provided timing to complete the evaluation of the clarifications. If scoring is to be updated, then the updated scores must be recorded with the original scoring with reasons for the change in the scoring provided. Once all scoring is completed the Procurement Representative will upload a record to ibuy and the TEC Chair will be notified to organise another Evaluation Review Meeting. This will continue until the evaluation exercise is complete.

Commercial evaluations will not be made available until after the first Technical Evaluation is recorded in ibuy, however this shall not prevent the Technical and Commercial Evaluators from evaluating their sections concurrently. This is to ensure that the price does not unconsciously become a driver for the decision and scoring in the Technical Evaluation. Once a base score is recorded on which the Technical Evaluation can be tracked for changes and evidenced against, the commercial scoring can become part of the evaluation discussion.

## **4.2. Risk Workshops**

During the evaluation period Transgrid will need to actively monitor and assess the risks and contingencies associated with each submitted Tender and track these risks in preparation for any required risk workshops. Risks will evolve and drop off through the responses to departures and clarifications and risk workshops may be undertaken at any stage of the evaluations. Risks may be identified using qualitative or quantitative assessment depending on the type of risk to be assessed. Risks will be required for inclusion in the Project Risk Register and to inform or update project costs (including estimates, contingencies), and schedule. Safety in Design and HSE related risks that are to be considered for this stage of the project, will need to also be captured, and Safety in Design and design reviews will continue at allocated times through the D&C Contract design development, from Concept to Detailed Design, before IFC. It is proposed that the Project Scheduler will be utilised for risk monitoring. This strategy also provides an opportunity to further develop any WBS so that CBS can be further developed in parallel and the two can be aligned.

### 4.3. Evaluation Criteria

The full weighted scoring criteria for the tables provided in this clause 4.3 are provided in Attachment 2. Criteria for the Project is provided in Attachment 2 Evaluation Matrix, including evaluation questions, criteria and scoring guidelines.

#### 4.3.1. Pass/Fail Criteria for Mandatory Items

Pass or fail criteria may be used for some items within the evaluation matrix that are a mandatory requirement. Where pass/fail criteria is used, it must be clearly provided whether the Tenderer will be given the opportunity to rectify any items, or whether a fail mark removes the Tenderer from participating.

For the Project, should the item not impact on the Tenderers submission, and the omission is accidental rather than incomplete, the Tenderer will be permitted to submit. For e.g. where the Tenderer does not disagree the price is firm, but has omitted to sign and return the form with the firm price, but part 4.1 Pricing Schedule has been submitted and confirms the offer price, this would not impact the Tenderers response, bar the confirmation of a firm price in accordance with the signed Form of Tender.

The Procurement Representative and the TEC Chair will decide whether to allow a clarification and receipt of the omitted item, and the reasons must be recorded in ibuy.

Where the Package is only responded to by one Tenderer, the TEC may allow further clarification on any item, and should the clarification identify that the Tenderer will still not meet the mandatory requirements, this must be escalated up through Transgrid management immediately, for risk workshop and planning for mitigation, which may include self-performance of either design or design and construct. TEC may continue the evaluation during this process, to ensure that a decision can progress pending the outcome of the escalation process. Mitigation may include Transgrid providing some additional assistance to the Tenderer for performance of the Works to bring the area of non-compliance up to a level or standard that would reduce any risk of awarding a contract to the Tenderer.

The following mandatory questions (if applicable) will be required to be satisfied for the submission of the RFT.

Table 1 – Mandatory Evaluation Criteria – Transmission Lines and Substations

No.	Criteria	Relevant Docs.	Confirmed by:
1.	Tender price is FIRM.	Part 1.2	Procurement Lead
2.	Proposed Price(s) that complies with the Pricing Validity Period(s) specified in this Document.	Part 1.2	Procurement Lead
3.	Offer for whole of Works.	Part 1.2	Procurement Lead
4.	Compliance with requirements of the Technical Specification and the	Part 5	Procurement Lead, technical and commercial Evaluators

	Departures, Clarifications, Addendums, Assumptions and Exclusions outlined.		
5.	Compliant Tender Program submitted.	Part 5	Procurement Lead, technical and commercial Evaluators
6.	All Mandatory Response Items have been addressed appropriately and issued in accordance with section 10 of this Introduction to RFx including the completion of section 10, Respondent Endorsement.	All Mandatory Returnable Schedules present unless confirmed for later submission.	Procurement Lead, technical and commercial Evaluators to review and confirm their sections, as a secondary check. They must report back to the Procurement Lead if items appear to have been omitted.
Note: return of Part 1.1 Introduction to RFX, Section 10, and signature in Part 1.1 are initial checks for all items, to confirm mandatory requirements. This item should be checked first.			

#### 4.3.2. Weighted Criteria

If more than one Evaluator is scoring against an item, then the scores will be averaged between the Evaluators. Clear criteria for evaluating Tender responses must be provided at the outset, and Evaluators should include evidence to support statements against the criteria set, so that any reviewer can follow the logic behind the scoring, including any updates to scoring after the first evaluation exercise.

Scoring will be provided with a minimum pass mark against the overall weighted criteria. In the case of the Separable Portions, the minimum pass mark shall be ██████ overall. This pass mark must be achieved for the Tenderer to move forward. Should the Tenderer not reach the minimum pass mark, and scores are impacted by a few specific items in the scoring, the TEC will identify areas of weakness and issue new clarifications, if the scoring for the area of weakness, the TEC must decide whether it can proceed based on the scoring, or whether they can improve the scoring through internal mitigations methods, which must be planned and considered for the Works (for e.g., by assuming an additional risk, or by providing additional assistance to complete an action). If the Tenderers score is increased to the pass mark, the Contract can be awarded, subject to approvals required and an updated risk assessment being completed.

The Contractor must meet any Work, Health or Safety (WHS) related requirements regardless of any minimum scoring set. If the Tenderer cannot meet the criteria and the TEC are not convinced that the Tenderer can proceed, this must be escalated to the TEC Chair and will require a risk workshop and planning for mitigation, which may include self-performance of either design or design and construct of the relevant Package or the supply of additional HSE based personnel for monitoring of the Works, whether supplied by Transgrid or made a requirement for the Tenderer to commit additional approved HSE personnel or quotas of personnel, for the Works. No actions will be taken without the approval of the relevant stakeholders and executive manager.

#### 4.3.3. Technical Evaluation

##### 4.3.3.1. Allocation of Item / Sub Item category

The technical responses will be evaluated in accordance with the allocation provided at the Tender Evaluation Opening Meeting, and the relevant RFT documents submitted for Part 3 and Part 5, using the detailed

evaluation matrix, attached at Appendix 2 and Appendix 3, including the evaluation criteria provided in that document. After upload of the first Technical Evaluation scores into ibuy, joint review of Technical Evaluation and Commercial Evaluation can commence. The TEC Chair may review the Technical Evaluations to ensure sufficient commentary or basis of scoring has been provided before calling the first joint review meeting.

#### 4.3.3.2. Technical Evaluation Criteria

Below is an extract from Attachment 1 - Tender Evaluation Matrix, indicating the technical evaluation criteria categories.

### Table 2 - Tender Evaluation Matrix Extract Evaluation Categories

No.	Evaluation Criteria Categories	Maximum Score
■		■
■		■
■		■
■		■
■		■

Each evaluator will be required to evaluate each Tenderer against the evaluation criteria by applying the relevant assessment mark and applying the prescribed evaluation method. Furthermore, each evaluator will be required to accompany their evaluation with supporting commentary.

The weighting applied to the technical evaluation is

#### 4.3.4. Commercial Evaluation

The initial Commercial Evaluation is based on the submitted pricing, provided in RFT, with the confirmed totals in the executed Part 1.2 and the full Pricing Returnable Schedules submitted in RFT Part 4.

The Tenderer submitted price may be assessed based on internal estimating costs, previous projects (where possibly comparable), or other market cost data available. Normalisation or estimated or assumed rates for normalisation should be sufficiently evidenced for use.

The Tenderers costs will also be compared side by side where the items are like for like, appreciating that the lump sum elements may have other risks incorporated or spread across them in different places.

The pricing evaluation will also consider if there are areas of each submission that may be over-engineered and might be possible to reduce or adjust with the Contractor via submitted estimates and change management processes during Detailed Design. The Evaluators should not rely on being able to utilise this in the Contract, unless sufficient certainty can be obtained via clarifications and this should be clearly caveated in the evaluation documents where applied. The Evaluation at this stage must keep in mind that the Contractor's work should be minimally disturbed during the design phase as this is a D&C Contract, and interference could result in additional claims or delay during this phase.

In summary the Commercial Evaluators will review the submission with the following in mind:

- ii. Cost to comply with any technical requirements as a cost adjustment



- iii. Total fixed lump sum cost, based on Bill of Quantities against internal estimates (where possible) and between competitive bids.
- iv. Consideration of areas that may be able to be value engineered at a later stage, or subject to an included potential change in the Letter of Award.

The Commercial Evaluation shall include a review of any items such as modern slavery, social procurement (including the Australian Industry Participation Plan) and refer clarifications back to the Tenderers if these items appear to be ambiguous in any way. This will be considered a compliance check, as even if items are prescribed by legislation, any potential red flags must be escalated if they cannot be satisfactorily resolved.

Below is an extract from Attachment 1 - Tender Evaluation Matrix, indicating the commercial evaluation criteria and normalised cost score.

Table 3 - Tender Evaluation Matrix Extract Normalised Cost Score

Criteria	Maximum Score	Company A	Company B
Total Evaluated Cost		\$0.00	\$0.00
Normalised Cost Score	100	100.00	100.00

The normalised score equation as an example for Company A:

$$=IF(\text{Company A} > 0, (100 * \text{MIN}(\text{Company A} : \text{Company B}) / \text{Company A}), 0)$$

The pricing evaluation results will be shared with the Technical Evaluators after the first round of technical evaluation has been completed.

The weighting applied to the commercial evaluation is [REDACTED]

#### 4.3.5. Evaluation of Alternate Tender Submissions

The Tenderer may elect to submit an alternate tender submission. The alternate tender submission will be accepted and evaluated on the condition that the tenderer also submitted a conforming tender. The alternate tender must still comply with Part 1 – Commercial of the RFT.

#### 4.4. Evaluation of Departures, Comments and Post Tender Clarifications

The review and response to the departures / comments to tender requirements will be done using the specific templates provided in the RFT at Part 4.3 and Part 5.2.

Transgrid requested the Tenderers to submit their final contractual departures list by COB Thursday 16th April 2024, via ibuy. The return date for contractual departures has been revised to be submitted prior to RFT closing date to enable Transgrid to consider commencing contract negotiations earlier, in order to meet the RFT evaluation and award timeframes.

##### 4.4.1. Departures / Comments to Technical Requirement and Finalisation

The Evaluators for the Technical Evaluation will review the departures and comments to technical requirements submitted by the tenderers. They will respond to tenderers (through procurement) for



finalisation of the departures / comments if any, and issue post tender clarifications where necessary and agreed in accordance with this TEP.

#### 4.4.2. Acceptance of Terms and Conditions

The Tenders were issued with the General Conditions of Contract (version 14) and a contractual departure table to populate with their own departures from the standard contract terms.



Although standard practice, the pricing will not be released to anyone conducting the Technical Evaluation and the Procurement Representative will not share the price (or any documents that reveal the price), or the Commercial Evaluation until after the first Technical Evaluation scoring is completed and uploaded in ibuy (to the satisfaction of the TEC Chair, in regard to the level of content).

The commercial assessment of departures will be conducted in 2 stages.

#### 4.4.3. Stage 1 - Preliminary Assessment at RFT (Pre-Negotiation)

The first stage is a preliminary assessment of the departures submitted at the time of RFT close. This will provide an initial indication as to the extent and magnitude of departures requested by each Tenderer. This assessment will be completed as per table 4 below and has the express purpose of providing a quantitative assessment of the relative merits of each submission.

Table 4 – Criteria for Preliminary Assessment

Evaluation Criteria	Departure Score Allocation (lowest score to be best)	Tenderer 1 Data	Tenderer 2 Data	Tenderer 1 Scoring	Tenderer 2 Scoring
Total Number of Departures	1				
Total Number of Non-Contentious Departures*	1.5				
Total Number of Contentious Departures*	3				
Total Score					

\*Contentious Departures defined as departures that have a significant risk or cost impact for Transgrid, and/or are inconsistent with our upstream position(s) under the Project Deed or other contractual arrangement.

\*Non-Contentious Departures defined as departures which do not have a significant risk or cost impact for Transgrid and/or are not inconsistent with our upstream position(s) under the Project Deed or other contractual arrangement. These departures however may prolong the negotiations.

Table 5 – Criteria for GCoC Departures

Score Allocation	Criteria
1	Low weighting applied to the total number of departures submitted by the Tenderers.
1.5	Moderate weighting applied to Non-Contentious Departures, which may have a moderate impact to Transgrid in relation to the cost and risk allocation with no impact to the upstream position with EnergyCo.
3	Highest weighting applied to Contentious Departures, which may have the highest impact to Transgrid in relation to the cost or risk allocation, and/or are inconsistent with our upstream position(s) under the Project Deed or other contractual arrangement.

#### 4.4.4. Stage 2 – Final Assessment (Post-Negotiation)

By comparison, the second stage is to occur on the completion of initial negotiations of the departures and clarifications, and agreement that no further questions, clarifications or comments are required from the Tenderer, as determined by the TEC Chair.

With general or majority consensus from the TEC, both Tenderers will be requested to submit the Tenderers Best and Final Offer (BAFO). This will be the Pricing that the Contractor is held to and is subject to Transgrid accepting or rejecting the BAFO. Once received a final Commercial Evaluation of the price will be concluded and the final evaluation scoring and discussion will take place following the key principles below:

- Where a cost to comply has been provided for a departure, these departures will be removed and the equivalent cost either deducted or added to the pricing depending on whether the Tenderer has added or omitted the cost. This will require a clarification to the Tenderer if unclear.
- Departures will be negotiated, noting Transgrid Legal must sign off on the final contract and departures before final agreement with the Tenderer, with the view to remove as many departures as possible, prior to the next step.
- Where no cost to comply has been provided for the remaining departures, Transgrid shall request the Tenderer to re-look at the item to provide a cost for each item where possible, either during or after the negotiation period.
- Once items in clause 3.3.1.2(a) through to (c) are complete, and Transgrid is left with the remaining agreed departures, and the priced departures have been omitted, Transgrid will base the next step only on those remaining departures.

- e. If multiple departures continue to exist, these departures will be reviewed against the criteria in Table 6 and the final deduction total will be made to the normalised Technical and Cost score, as the departures may have an impact on both the technical and cost components. The scoring will be normalised in the evaluation sheet automatically when populated and determine a value for money evaluation score.

Table 6 – Criteria for Equalisation of Pricing

Equalisation Criteria	Deduction per departure, from the Score
Departure has a <u>extreme</u> risk to Transgrid (refer to the <a href="#">Risk Management Plan</a> ). An extreme risk departure will (per departure):  - cause a price increase of >\$1m.	-1.5
Departure has a <u>high</u> risk to Transgrid (refer to the <a href="#">Risk Management Plan</a> ). A high risk departure will (per departure):  cause a price increase of >\$500k or <\$1m.	-1
Departure has a <u>moderate</u> risk to Transgrid (refer to the <a href="#">Risk Management Plan</a> ). A moderate risk departure will (per departure):  cause a price increase of >\$250k or <\$500k.	-0.5
Departure has a <u>low</u> risk to Transgrid (refer to the <a href="#">Risk Management Plan</a> ). A low risk departure will (per departure):  cause a price increase of <\$250k.	-0.25
Departure is not of a nature that would impact the price or time for contractual negotiations with the tenderer.	0

- f. Those reviewing pricing may request review by a TEC Business Advisor to review scoring and confirm the assumptions made in the scoring are based on reasoned and logical principles, TEC Business Advisors are likely to be personnel from Risk and Insurance, Risk and Governance, Legal, and/or estimating depending on the departure. Involvement must still be kept to a minimum where possible and closed private groups must be formed, but communications recorded.
- g. Scoring adjustments must always be clearly shown and explained, and Evaluators must be made clear how the adjustment has been made, and the impact of the adjustment on the score provided. All reasonable group contributions regarding the scoring of the Commercial Evaluation must be

considered, however, adjustment should only be made with sound principles and substantiation provided for the adjustment.

- h. Where scoring is within a tight margin ( $\leq 5\%$ ) between the Tenderers, Transgrid may elect to award to the lower scoring Tenderer, however, this decision must be substantiated, and reasoned explanations must be given in the approval for contract award (CA Award Memo).

## 5. Key Dates

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The target dates for the evaluation of RFT are provided at Appendix 1 and Appendix 2. These are the indicative key dates that will be met. Dates may be adjusted forward or backward dependent on the submission and the ability of the Evaluators to produce a robust evaluation, however, due to the time constraints of the submission to the Regulatory Approvals Team, the completion date for evaluations must be the date specified in Appendix 1.

### 5.1. Exceptions and Changes

Any changes, additions, exceptions to this plan can be requested by the TEC, acting with at least three members (which may include the TEC Chair), and subject to approval by the TEC Chair, as long as those changes are approved in ibuy as per the approvers to this document. Reasons for the change must be documented.

### 5.2. D&C Contract Award

Pursuant to the Project Execution Plan section 26.1 and at the conclusion of the evaluation and the receipt of the BAFO, all six (6) separable portions will be awarded to a single Contractor for delivery.

The Approval to Award paper will be prepared and/or finalised by the Procurement Representative, the TEC Chair and the Senior Project Manager, with inputs from members of the TEC where required. The TEC will review the final draft for submission. The Approval to Award Document, CA Award Memo, will be approved as per the Transgrid documented delegation authorities, and any other relevant stakeholders required. A DER will be required to be signed (authorisation for contract signing) before Contract execution can occur.

6. Endorsement and Approval Flow – ibuy process [REDACTED]

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[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]



## 7. Attachments

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The following attachments are provided for this document:

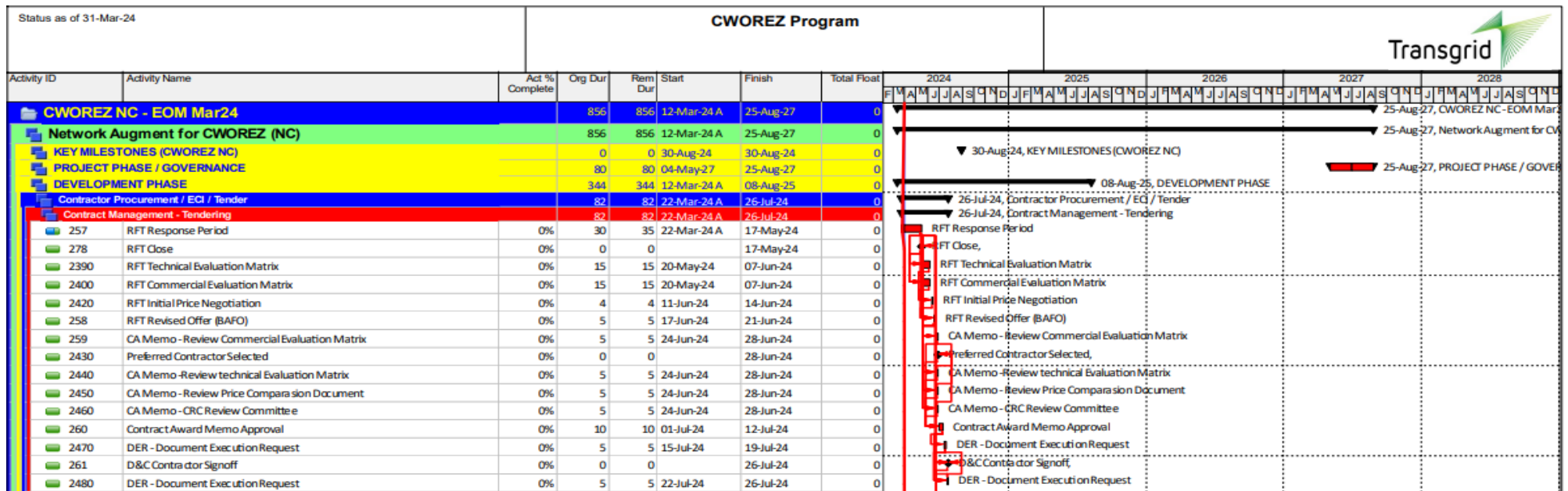
7.1. Attachment 1 – SR30379613 | RFT | Tender Evaluation Matrix

7.2. Attachment 2 – SR30379613 | RFT | Conflict of Interest and Confidentiality Declaration Form

7.3. Attachment 3 – Transgrid Procurement Procedure SUP-PRO-PRO-646

## 8. Appendix

### 8.1. Appendix 1 - Tender Evaluation Indicative Programme Level 1



Notes:

- Tender Evaluation Indicative Programme Level 1 changes are subject to established CWO REZ NC project change procedures.



## 8.2. Appendix 2 – Tender Evaluation Programme Activity Level

Title: CWO REZ NC - RFT Evaluation Gantt																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																					
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