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**ATKLĀTA KONKURSA**

**Par Inčukalna pazemes gāzes krātuves trīsdesmit urbumu remontdarbu  
pretfontāna drošības uzraudzības nodrošināšanu  
NOLIKUMS**

**OPEN TENDER**

**For the gas blowout safety supervision of 30 wells renovation works at  
Incukalns underground gas storage**

**REGULATIONS**

**ID NR. PRO-2019/280**

(CPV CODE - 71700000-5 Monitoring and control services)

Rīga, 2019

## I. GENERAL PROVISIONS

### 1. Objective

1.1. The objective of the open tender (hereinafter the Tender) is to select, by ensuring competition, openness, publicity and efficient use of funds of the Joint Stock Company “Conexus Baltic Grid” (hereinafter the Customer), the Tenderer who will carry out the economically advantageous performance of gas blow blowout safety supervision of 30 wells renovation works at Incukalna underground gas storage in accordance with the Technical Requirements attached in Annex 1 of the Regulations hereinafter – Works.

1.2. The open contest is co financed within the framework of the Contract No INEA/CEF/ENER/M2018/175201, Action No 8.2.4-0031-LV-W-M-18.

### 2. Organiser of the Tender, receipt of the Regulations and additional information

2.1. The organiser of the Tender is Joint Stock Company “Conexus Baltic Grid”, unified registration No. 40203041605, 14 Stigu Street, Riga, LV-1021.

2.2. The interested supplier (hereinafter the Tenderer) may download the Tender Regulations (hereinafter the Regulations) from the Customer's website [www.conexus.lv](http://www.conexus.lv), section Tenders/Procurement.

2.3. The Tenderers can receive further information on the technical issues of the Tender by contacting Egons Rozenfelds, Project manager, Project Management office, Technical development and Investments Department of Joint Stock Company “Conexus Baltic Grid”, mobile phone (+ 371) 29993913, e-mail: [egons.rozenfelds@conexus.lv](mailto:egons.rozenfelds@conexus.lv); regarding issues related to the Tender procedure and the requirements included in the Regulations the Tenderers may contact Mr Sandris Strazdiņš, Head of the Procurement Division, mobile phone (+ 371) 29511577, e-mail: [Sandris.Strazdins@conexus.lv](mailto:Sandris.Strazdins@conexus.lv).

2.4. The Tenderers may ask questions by sending them electronically to the contact persons specified in Paragraph 2.3. The Customer will respond to the submitted requests for clarification electronically within 3 (three) business days, but no later than 2 (two) business days before the deadline for submission of the tenders.

### 3. Type of Tender

The Tender is organised as an open competition by the Customer publicly inviting the Tenderers to submit their tenders (hereinafter the Tender). Participation in the Tender is an expression of free will of the Tenderers, with equal terms for all Tenderers.

### 4. Guidelines for Tenderers

4.1. Participation in the Tender is open for a legal entity that can perform the Works specified in the Regulations in accordance with the subject of procurement, which has experience meeting the requirements of the Regulations and which meets the other requirements set forth in the procurement procedure documentation.

4.2. The Tenderer shall execute the Tender in accordance with the requirements of the Regulations. The Tender shall be submitted for performing of the Works in accordance with the provisions of the Regulations, in accordance with the Technical Requirements attached in Annex 1 of the Regulations (hereinafter the Technical Requirements). The Tenderer is allowed to submit one option of the Tender. The Procurement Commission established by the Customer (hereinafter the Procurement Commission) shall evaluate the received tenders individually.

- 4.3. The Tenderer must thoroughly research the Regulations, comply with all the requirements and regulations specified in the Regulations and its Annexes, and assume responsibility for the Tender meeting the requirements of the Regulations.
- 4.4. Submitting the Tender means a clear and final intention of the Tenderer to participate in the Tender and acceptance of the terms and conditions contained in the Regulations, certifying its understanding of the requirements included in the Regulations. The Tender is legally binding upon the Tenderer that has submitted it. Deficiencies in the Tender or non-compliance with the requirements of the Regulations discovered later shall not provide a reason for the Tenderer increasing the Price of the Tender or extending the Works performance deadline.
- 4.5. The Tenderer shall fully cover all costs incurred in relation to preparation and submission of the Tender. The Customer shall not assume any liability for such costs, regardless of the results of the Tender.
- 4.6. The Tenderer is entitled to enter into an agreement for the performance of the Works with a subcontractor, provided that full responsibility for the performance of the prospective agreement will be assumed by the Tenderer. If the Tenderer intends to enter into an agreement with a subcontractor regarding any part of the Tender, it shall be clearly specified in the Tender. In such an event, the Tenderer shall submit the documents specified in Paragraph 7 of the Regulations about the subcontractors.
- 4.7. Replacement of the subcontractor specified in the Tender during the period of performance of the prospective agreement shall only be permitted with the prior written consent of the Customer.
- 4.8. The Customer shall exclude the Tenderer from further participation in the Tender if at least one of the following circumstances exists:
  - 4.8.1. The Tenderer does not meet any selection requirement specified in Paragraph 6 of the Regulations or the Tenderer has not submitted all the documents specified in Paragraph 7 of the Regulations;
  - 4.8.2. The Tenderer has failed to attach a completed and signed Tender Letter (hereinafter the Tender Letter) (see sample in Annex 2 of the Regulations) to the Tender;
  - 4.8.3. In its Tender, the Tenderer has provided false or misleading information for the assessment of its qualifications, or has not provided the requested information at all;
  - 4.8.4. The Tenderer has not provided explanations or has not attended the explanatory meeting in accordance with Paragraphs 18 and 19 of the Regulations, or has not provided other information requested by the Customer.

## **II. INFORMATION ON THE SUBJECT OF THE TENDER**

### **5. Subject of the Tender, its quantitative and qualitative characteristics**

- 5.1. The subject of the Tender performance is gas blowout safety supervision of 30 wells renovation works at Incukalns Underground Gas Storage in accordance with the Technical Requirements attached in Annex 1 of the Regulations.
- 5.2. Place of the performing the Works of the Tender: Joint Stock Company “Conexus Baltic Grid” Incukalns Underground Gas Storage, Krimulda parish, Krimulda district, Latvia, LV-2144.

- 5.3. The deadline for performing of the Works of the Tender according of the Technical Requirements. (Annex Nr.1).

### **III. TENDERER SELECTION REGULATIONS**

6. The Tenderer shall be entitled to participate in Tender if the following circumstances apply to it:
- 6.1. the Tenderer has been registered as a commercial company in the Commercial Register of the Republic of Latvia or in the Register of Enterprises or similar register of its home country;
  - 6.2. the Tenderer during the last 3 (three) years ( 2017, 2018, year 2019 will be taken into account) has performed at least one contract of Works meeting the requirements of the Regulations;
  - 6.3. the Tenderer has experienced and qualified personnel in performance of similar Works during the last 3 (three) years (2016, 2017, 2018, year 2019 will be taken into account);
  - 6.4. the Tenderer does not have tax debts in the Republic of Latvia or in its home country, including debts for mandatory state social insurance contributions, exceeding 150 euros in aggregate in each country;
  - 6.5. insolvency proceedings of the Tenderer have not been declared, economic activity of the Tenderer has not been suspended or terminated, the Tenderer is not involved in court proceedings that endanger the Tenderer's solvency, nor can it be established that the Tenderer may be liquidated by the expected deadline for the performance of the agreement;
  - 6.6. the Tenderer has submitted all the documents specified in Paragraph 7 of the Regulations and they give the Customer a clear and true idea about the ability of the Tenderer to perform the prospective agreement throughout its term.

#### **7. Documents to be submitted**

When submitting the Tender, the Tenderer shall attach the following documents that certify its right to participate in the Tender and its sufficient qualifications, as well as provide general information about the Tenderer (certifications and other documents issued by the competent authorities of Latvia shall be accepted and acknowledged by the Customer if they are issued no earlier than one month before the date of submission, and certifications and other documents issued by foreign competent authorities - if they have been issued no earlier than six months before the date of submission, if the issuer of the certification or the document has not specified a shorter term):

- 7.1. a copy of the registration certificate of the Tenderer or an extract (printout) from the Register of Enterprises or its equivalent of the home country of the Tenderer in accordance with the regulations of the country where the Tenderer is established, containing information about the representation rights of the executive body of the merchant, the procuration, place of registration, date and registration number. If the Tenderer is a commercial company registered in the Republic of Latvia, this extract (printout) may not be submitted;
- 7.2. a printout from the website of the State Revenue Works (if the Tenderer is a resident of the Republic of Latvia) or certification (if the Tenderer is not a resident of the Republic of Latvia) from the competent tax authority of the home country of the Tenderer regarding the fact that the Tenderer does not have tax (fee) and mandatory social insurance contribution debts exceeding 150 euros in aggregate in each country (not older than one month if the Tenderer is a resident of the Republic of Latvia or not older than six months, if the Tenderer is not a resident of the Republic of Latvia, from the last deadline for submitting the Tenders);

- 7.3. certification of the Register of Enterprises of the Republic of Latvia or the Register of Enterprises or its equivalent of the home country of the Tenderer that the Tenderer has not been declared insolvent, is not in liquidation, its economic activity is not suspended or terminated. If the Tenderer is a commercial company registered in the Republic of Latvia, this certification need not be submitted;
- 7.4. information on the performance of similar Works carried out by the Tenderer during the last three years (2016, 2017, 2018, year 2019 will be taken into account) by specifying the year of performance of the Works performed by the Tenderer and their volumes in euros, as well as the name of the Customer (see example in Annex 3 of the Regulations);
- 7.5. Tenderer's personnel experience and qualification in performance of Works.
- 7.6. Technical description of the Works and specimens or copies of certificates in accordance with Technical Requirements.
- 7.7. Tender shall have the Tender Letter attached, which shall be completed and executed in accordance with the samples attached in Annex 2 of the Regulations;
- 7.8. Confirmation that no international or national sanctions, or substantial sanctions affecting the interests of the financial and capital market imposed by the European Union or the North Atlantic Treaty Organization Member State that affect the performance of this agreement have been imposed with respect to it as a merchant, its Board or Council Members, persons entitled to represent it, or its procurators, or persons entitled to represent it in operations related to the branch office.

#### **IV. PREPARATION AND PRESENTATION OF THE TENDERS, PRICE OF THE TENDER**

##### **8. Preparation and presentation of the Tender**

- 8.1. Documents of the Tender must be drafted in Latvian, Russian or English.
- 8.2. The Tender Letter must be signed by a person holding the right of representation or authorised to do so on behalf of the Tenderer. Full name, surname and position of the person that has signed the Tender must be specified below the signature.
- 8.3. If, prior to submitting the Tender, mistakes have been corrected or changes or additions have been made in the Tender documents, such must be indicated at the end of the respective Tender document and certified by the signature of the person signing the Tender and the documents attached thereto.
- 8.4. If the Tenderer is a merchant registered abroad then its Tender Letter must specify whether:
  - 8.4.1. it is/is not considered as a company related to the Customer for the purposes of the Law on Corporate Income Tax,
  - 8.4.2. it is/is not registered in the country with which the Republic of Latvia has entered into a Convention for the Prevention of Double Taxation and Tax Evasion (hereinafter the Tax Convention).
- 8.5. The tenderer shall submit a tender in one of the following ways:
  - 8.5.1. paper copy in one original and copy of the additional offer in electronic format (PDF (searchable)) stored on an electronic device (CD, DVD or USB flash drive);

- 8.5.2. in electronic format (.doc, .docx, .xls, .xlsx, .odf or .pdf), subject to the regulations governing the processing of electronic documents, signed with a secure electronic signature containing a time stamp and placed on an electronic medium (CD, DVD) or USB flash drive).
- 8.6. Pages of the Tender (including all its Annexes) must be numbered, bound together by specifying the number of pages bound together. Uniform numbering must be provided for pages of the Tender and its Annexes.
- 8.7. In order to avoid any doubt and misunderstanding, words and numbers in the Tender must be clearly legible, without insertions and erasures. In the event of contradiction between words and figures, the verbal wording shall prevail.
- 8.8. The Tender must be placed in an envelope, the envelope must be sealed and bear the following inscription:

**Joint Stock Company "Conexus Baltic Grid"**  
**Tender letter**  
**For the gas blowout safety supervision of 30 wells renovation works at**  
**Incukalns underground gas storage**  
**Do not open before 30 January, 2020 at 11.00**  
**to only be opened in the presence of the Procurement Commission!**

- 8.9. The name and address of the Tenderer must be specified on the envelope. The original and copy of the Tender, marked as "Original" and electronic "Copy" respectively, must be placed in the envelope.
- 8.10. In the event of any inconsistency between the original and the electronic copy of the Tender, the original of the Tender will be considered decisive.
- 8.11. The Customer shall not be liable for the premature opening of the Tender that has not been presented in accordance with the above requirements. The Customer shall have the right, but not an obligation, to reject such Tender.
9. **Price of the Tender**
- 9.1. The price of the subject of the Tender as well as the prices of all units in the Tender must be specified in euros (EUR).
- 9.2. The price of the Tender must include all taxes and fees payable in connection with the delivery of the Products, except for the value added tax (VAT) specified in the laws and regulations of the Republic of Latvia, which must be indicated separately in the Tender.
- 9.3. The price of the Tender must be specified in the Tender Letter, according to the amounts specified in Annexes 1 and 2 of the Regulations, as well as including all the costs necessary for the performance of the Works.
- 9.4. The Procurement Commission shall evaluate the price of the Tender excluding VAT.

## **V. SUBMISSION AND OPENING OF THE TENDERS**

10. **Place and deadline for submission of the Tenders**
- 10.1. The Tenderer shall submit the Tender and the documents attached thereto to the Joint Stock Company "Conexus Baltic Grid", Riga, Latvia, Stigu street 14, Riga, LV-1021 (phone +371 67819032) **by 30 January 2020, 11.00 o'clock** (Latvian time).

- 10.2. The Tender may be delivered by courier or in person, or sent by mail, provided that the Tender is received at the place and time for submission of the Tenders specified in Subparagraph 10.1 of the Regulations.
- 10.3. The risk of delivery of the Tender shall be assumed by the Tenderer.
- 10.4. Any Tender received after the deadline specified in Subparagraph 10.1 of the Regulations shall be returned unopened, regardless of the reason for the delay.
11. **Modification and withdrawal of the Tenders**
  - 11.1. The Tenderer shall be entitled to make changes to the Tender or to withdraw the Tender before the deadline for submission of the Tenders, by notifying the Customer thereof in writing.
  - 11.2. Modifications of the Tender and withdrawal notice must be drafted, executed and submitted in the same manner as the Tender by additionally marking with the inscription "Modifications of the Tender" or "Withdrawal of the Tender" respectively.
  - 11.3. The Withdrawal shall be unconditional and it shall exclude any further participation of the Tenderer in the Tender.
12. **Opening the Tenders**
  - 12.1. Tender documents, including modifications and/or withdrawals of the Tender, shall be opened by the Procurement Commission **on 30 January 2020, at 11.00** (Latvian time), at the Joint Stock Company "Conexus Baltic Grid", Stigu street 14, Riga, Latvia, LV-1021.
  - 12.2. The Procurement Commission shall only open those Tenders which the Customer will have received by the deadline specified in the Regulations. A delayed Tender and the Tender, the withdrawal of which has been accepted, will be sent back, unopened, by mail to the address indicated on the envelope.
  - 12.3. Envelopes with the inscription "Withdrawal of the Tender" shall be opened first, but envelopes with the Tenders that such withdrawals pertain to will not be opened.
  - 12.4. Envelopes with the inscription "Modifications of the Tender" shall be opened successively with the opening of the Tender document envelope of the Tenderer concerned.
  - 12.5. Tenderer's name, withdrawal of the Tender (if received), modifications of the Tender (if received), the price of the Tender and other information at the discretion of the Procurement Commission shall be specified during the opening procedure in the minutes of the Tender opening meeting of the Procurement Commission.
  - 12.6. Representatives of the Tenderer may participate in the opening of the Tender. When attending the opening of the Tenders, representatives of the Tenderers shall present an identification document, a document regarding the right to represent the Tenderer, a procuration or appropriate authorisation, shall notify the name, address of the Tenderer represented and his/her position and contact phone number.
  - 12.7. Upon opening the Tenders, the Chairman of the Procurement Commission or another member of the Procurement Commission shall read the price and terms of payment of each Tender, which shall be recorded in the minutes of the Tender opening meeting executed by the Procurement Commission.
  - 12.8. Representatives of the Tenderers shall not participate in the evaluation of the Tenders.

## **VI. CRITERIA FOR SELECTION OF THE TENDERS, ASSESSMENT OF THE TENDERS AND DETERMINATION OF A WINNER**

13. The Tenderer who has submitted the most economically advantageous Tender with the lowest price fully meeting the requirements of the Regulations in accordance with the evaluation procedure specified in the Regulations shall be recognised as the winner of the Tender.
14. The Procurement Commission shall verify that the Tender is free from arithmetic errors and shall correct such, if any. The Customer shall notify the Tenderer of the correction of the error and the corrected amount of the Tender. A reasonably corrected Price of the Tender is considered binding upon the Tenderer. If the Tenderer does not agree with the correction of the error reasonably made by the Procurement Commission, its Tender shall be rejected.
15. The price of the Tender shall be adjusted by adding or subtracting amounts due to corrections of arithmetic errors in a way that prices of the Tenders that include the entire scope of the Products are compared in the evaluation of the Tenders.
16. The Procurement Commission will recognise the winner of the Tenderer as the Tenderer, whose Tender will be the most economically advantageous, i.e. Tender with the lowest price.
17. The Procurement Commission shall not be obliged to recognise the Tender with the lowest price of the Tender as the winner of the Tender.
18. The Procurement Commission is entitled to request a written explanation from the Tenderer about the tender submitted by it. The Tenderer shall send the answers to the questions to the Customer by e-mail by the deadline specified in the request.
19. The Procurement Commission is entitled to invite the Tenderer to an explanatory meeting to clarify details of the Tender.
20. The Procurement Commission shall reject the Tender, which is not meeting the requirements specified in the Technical Specifications (Annex 1 of the Regulations) or not meeting the requirements of the Regulations, or the submitter of which is recognised by the Procurement Commission as inappropriate or insufficiently qualified for the supply of the Service.
21. With respect to the Tenderer to whom the right to enter into the agreement should be granted, the Customer will verify whether, in respect of this Tenderer, its Board or Council Member, a person entitled to represent it or its procurator, or a person entitled to represent the Tenderer in operations related to the branch office, or a partner in the partnership, if the Tenderer is a partnership, there are any international or national sanctions, or substantial sanctions affecting the interests of the financial and capital market imposed by the European Union or the North Atlantic Treaty Organization Member State that affect the performance of the agreement. If international or national sanctions, or substantial sanctions affecting the interests of the financial and capital market imposed by the European Union or the North Atlantic Treaty Organization Member State that impede the performance of the agreement have been imposed on the above Tenderer, it will be excluded from being granted the right to enter into the agreement.
22. The Procurement Commission may recognise one or more Tenderers as the winner of the Tender.
23. The Customer is entitled to terminate the Tender at any time before the agreement with the winner of the Tender is entered into without assuming any liability towards the Tenderers.
24. If only one Tender is submitted for the Tender, the Procurement Commission shall decide whether it is appropriate and economically advantageous, and whether it is possible to enter into the agreement with the only Tenderer.



25. If none of the Tenders submitted comply with the provisions of the Regulations, the Customer shall take a decision to terminate the Tender.
26. The Procurement Commission shall inform all Tenderers of the results of the Tender.
27. The content of the Tenders and information on the progress of evaluation is protected information and the confidentiality principle shall be respected in the course of evaluation. Only the Procurement Commission and professionals and experts invited by it may participate in the evaluation of the Tenders.

## **VII. NEGOTIATION OF AND ENTERING INTO THE AGREEMENT**

28. The Customer will invite the Tenderer that is recognised as the winner of the Tender to negotiate the agreement. In the event of unsuccessful negotiations of the agreement, the Customer shall be entitled to invite the Tenderer with the next lowest price evaluation to negotiate the agreement.
29. The Tender submitted by the winner of the Tender is the basis for entering into the Service Supply Agreement (hereinafter the Agreement).
30. If only one Tenderer has submitted the Tender and, moreover, it has been recognised as the winner of the Tender, but is a merchant registered in tax haven countries or territories, or a merchant registered abroad, which is considered to be a company related to the Customer for purposes of the Law on Corporate Income Tax, before entering into the Agreement the winner of the Tender shall be obliged to submit information on the justification of the transfer price and the justification of the transaction (price) corresponding to the arm's length price (value).
31. If a Tenderer is registered abroad is recognised as the winner of the Tender, which is forming a permanent representation office [for purposes of] the Tax Convention or the Tender procedure, the winner shall be obliged to submit all the necessary certifications required by the Customer in relation to the permanent representation office.
32. If a Tenderer registered abroad is recognised as the winner of the Tender, which is not a resident of the European Union Member State, and it is envisaged in the Tender to involve a resident of the European Union Member State as a subcontractor, the Agreement will include a provision that the subcontractor shall issue the invoice for the Works provided or products delivered to the Customer.
33. Upon entering into the Agreement with the winner of the Tender (hereinafter in this Paragraph referred to as the Contractor), inclusion of the following provisions into it will be mandatory:
  - 33.1. The Contractor shall be obliged to perform the Works in accordance with the laws and regulations of the Republic of Latvia;
  - 33.2. The Contractor shall be obliged to pay a penalty of 0.5% of the total amount of the Agreement for each business day the supply of the Works is delayed, but not exceeding 10% of the total amount of the Agreement. Payment of the penalty shall not exempt the Contractor from the duty to perform the Agreement. The Customer shall be entitled to withhold the penalty calculated for the Contractor from the amount of the Agreement payable to it for the delivery of the Products;
  - 33.3. The Customer can increase or decrease the amount of Works by 25% without changing the unit price;

34. The Agreement shall be entered into within 15 (fifteen) days from the date the Customer has informed the Tenderer of the results of the Tender.
35. If the Customer and the winner of the Tender fail to enter into the Agreement within 15 (fifteen) days from the date the Customer has given notification of the results of the Tender, the Customer shall be entitled to refuse to enter into the Agreement with the winner of the Tender. In such an event the Customer shall be entitled to invite the Tenderer that had submitted the next cheapest Tender to negotiate the Agreement or to terminate the Tender without selecting any Tender.

### **VIII. CONFIDENTIALITY**

36. The number and names of the Tenderers shall be the undisclosable information until the moment of opening of the Tenders, unless set forth otherwise in laws and regulations, the content of the Tenders and the materials of the Procurement Commission meetings shall form a business secret and protected information, and shall not be disclosed to other Tenderers or any third parties.

### **IX. APPENDICES**

37. There are 3 (three) Annexes attached to the Regulations:
  - Annex 1      Technical Requirements of the Tender on 3 page;
  - Annex 2      Tender Letter on 2 pages;
  - Annex 3      Information on similar Works over the last 3 (three) years on 1 page;

Chairman of the Procurement Commission,  
Head of the Procurement Division  
of the Legal department

S.Strazdiņš

Riga, 19 December 2019

## **TECHNICAL REQUIREMENTS**

### **FOR THE GAS BLOWOUT SAFETY SUPERVISION OF 30 WELLS RENOVATION WORKS AT INCUKALNS UNDERGROUND GAS STORAGE**

#### **1. Introduction**

Technical requirements have been developed and worked out for the Contest Regulations “For the gas blowout safety supervision of 30 wells Nos. 43, 72, 76, 78, 79, 82, 88, 89, 92, 95, 96, 101, 109, 112, 113, 118, 121, 122, 123, 124, 125, 126, 127, 129, 130, 131, 132, 133, 135 and 140 renovation works at Incukalns Underground Gas Storage of JSC “Conexus Baltic Grid”.

#### **2. Information about the object**

The supervision of the wells blowout safety is executed at the Incukalns Underground Gas Storage (Incukalns UGS) of JSC “Conexus Baltic Grid” located 40 km northeast from Riga (Latvia) near the village Ragana.

#### **3. Objective of the well blowout safety supervision**

The main objective of the wells blowout safety supervision for Incukalns UGS wells (Nos. 43, 72, 76, 78, 79, 82, 88, 89, 92, 95, 96, 101, 109, 112, 113, 118, 121, 122, 123, 124, 125, 126, 127, 129, 130, 131, 132, 133, 135 and 140) is to ensure that the well renovation works are performed in accordance with the blowout safety requirements, and with the requirements of “Technical project of 45 wells renovation at the Incukalns UGS” (further – Technical project). The Technical Project is in Russian language and the Contracting Authority doesn't provide translation.

#### **4. Time of execution of the blowout safety supervision**

The well blowout safety supervision must be carried out from year 2020 till 20<sup>th</sup> December of year 2024.

#### **5. Basic requirements**

The activities on blowout safety supervision have to be coordinated and approved by the Contracting Authority. The Contractor shall meet the requirements of the Latvian Standard LVS364:2011 (Operation, maintenance and repair of natural gas storage in aquifer and transmission pipelines system), and the safety requirements of the Labor protection Law, the Law of fire safety, Environmental Law and Construction Law of the Republic of Latvia.

The Contractor has to have the knowledge of well renovation works, appropriate licenses, skilled and accordingly certified personnel for the performance of the wells blowout safety supervision.

## **6. List of scope for the well blowout safety supervision**

- 6.1. The Contractor shall send certified and skilled engineers (in the time of absence or illness the Contractor will send at least one substitute engineer) for the blowout safety supervision of 30 wells Nos. 43, 72, 76, 78, 79, 82, 88, 89, 92, 95, 96, 101, 109, 112, 113, 118, 121, 122, 123, 124, 125, 126, 127, 129, 130, 131, 132, 133, 135 and 140 renovation works to Incukalna UGS of JSC “Conexus Baltic Grid”, Ragana, Krimulda parish, Krimulda district, LV-2144, Latvia.
- 6.2. In the time of the wells renovation works the Contractors representatives shall reside on the well site, and will ensure the supervision and control of the works quality, and follow that they are completed in compliance with the Technical project, geological – technological plan, and the performance plan of the renovation works.
- 6.3. The Contractors representative shall participate in the preparation and approval of all the necessary performance plans of renovation.
- 6.4. The Contractor shall provide control of the technical condition of equipment for installation and the equipment used for renovation works. Have to check the procedures for planning, performing quality checks and recording of repair and installation works when implementing activities related to the renovation of wells as a hazardous facility and have to give advises how to improve them if necessary.
- 6.5. The Contractor shall control and analyze the time schedule and the effectiveness of the renovation works, and suggest the necessary changes if needed.
- 6.6. If necessary, the Contractor shall participate in the preparation of changes and improvements in the plans of performance of the renovation works with the Contracting Authority, and approve them.
- 6.7. The Contractor shall conduct scheduled inspections of the technical condition of well renovation equipment, and also the check the validity of the equipments technical certificates and passports. The representative shall participate in the equipments testing (including pressure testing).
- 6.8. The Contractors representative shall participate and supervise the most important and difficult operations (including well killing, pulling and running of the tubing, well equipping with subsurface equipment, well hydraulic testing and development) of the wells renovation works at the well site.
- 6.9. The Contractors representative shall participate and supervise the wellhead replacement works, and the pressure testing of the mounted wellheads.
- 6.10. On the well site, the Contractors representative shall control the well renovation works compliance with the requirements of safety and environmental protection.

- 6.11. The Contractors representative will participate in the investigation of accidents or difficulties of operations regarding well renovation works, and provide the necessary reports about their reasons to the Contracting Authority.
- 6.12. In the case of a well blowout the Contractor in compliance with the Contracting Authority shall prepare an emergency response plan.
- 6.13. The Contractor will provide the supervision results to the Contracting Authority in the form of monthly reports including information about the wells renovation works progress, the completion stage of the wells renovation, main planned works, equipments technical condition and technological processes.
- 6.14. The Contractor shall inform the Contracting Authority about additional works and their amount, which are not mentioned in the initial Technical Project and in the performance plan, regarding the wells renovation.
- 6.15. The Contractors representative shall manage and fill out the Supervision Journal (the form is approved by the Republic of Latvia, Annex 6 of the Cabinet of Ministers regulation No.500).
- 6.16. The Contractor and the Contracting Authority shall participate in the acceptance and commissioning after the completion of the renovation works in each well. During the performance of the renovation works and before commissioning of the wells, the Contractor shall perform the necessary inspections and tests of the equipment and wells in accordance with the Work performance plan agreed upon with the Contracting Authority.
- 6.17. The Contractor holds the rights to immediately stop the wells renovation works, if the blowout safety requirements and/or the Regulations of the Republic of Latvia are ignored or violated.
- 6.18. The Contracting Authority is obligated to immediately stop the wells renovation works, if the blowout safety requirements and/or the Regulations of the Republic of Latvia are ignored or violated.
- 6.19. The Contractor shall provide the Contracting Authority with a final report, containing information about the renovation works quality, main issues, technical and technological suggestions for further development of the wells renovation works.

### Tender Letter

\_\_\_\_\_ 20\_\_ No. \_\_\_\_\_

\_\_\_\_\_  
/Place of drafting/

**To: Joint Stock Company “Conexus Baltic Grid”**

**Project: For the gas blowout safety supervision of 30 wells renovation works at Incukalns underground gas storage**

Having researched the Regulations of the Tender, we confirm that, if our tender is recognised as the most economically advantageous and we are contracted, we undertake to sell and to perform the Works in accordance with the Regulations of the Open Tender and the Technical Specifications attached thereto in Annex 1, for the following price:

No p.k.	Work title	Quantity	Sum EUR
<b>1</b>	<b>For the gas blowout safety supervision of 30 wells renovation works at Incukalns underground gas storage</b>		
1.1.	Safety supervision for the of gas blow*	(man/DAY)	
		<b>TOTAL:</b>	
		<b>VAT 21%:</b>	
		<b>ALL IN TOTAL:</b>	

We hereby certify that the tendered price includes all costs related to the Works: JSC “Conexus Baltic Grid” Incukalns Underground Gas Storage, Krimulda parish, Krimuldas district Latvia, LV-2144.

Tenderer predicts that one WELL reconstruction will take \_\_\_\_\_ DAYS.

Information about subcontractors, if any will be involved \_\_\_\_\_.

Information on whether the Tenderer is / is not to be considered as a company related to the joint stock company Conexus Baltic Grid for the purposes of the Law on Corporate Income Tax (if applicable)

Information on whether the Tenderer is / is not registered in the country with which the Republic of Latvia has entered into a Convention for the Prevention of Double Taxation and Tax Evasion (if applicable) \_\_\_\_\_

We certify that no international or national sanctions, or substantial sanctions affecting the interests of the financial and capital market imposed by the European Union or the North Atlantic Treaty Organization Member State that affect the performance of the negotiated agreement have been imposed with respect to us, as a Tenderer, our Board or Council Members, persons entitled to represent us, or our procurators, or persons entitled to represent us in operations related to the branch office.

**Tenderer's name and unified registration number of the Tenderer:**

**Registered address:** \_\_\_\_\_

**Position, name, surname, telephone and e-mail of the contact person of the Tenderer authorised to resolve the issues related to the Tender during the Tender:**

**Appendices:**

*1. Documents shall be attached in accordance with Paragraph 7 of the Tender Regulations.*

- 
- 1.1. \_\_\_\_\_ on \_\_\_ pages;
  - 1.2. \_\_\_\_\_ on \_\_\_ pages;
  - 1.3. \_\_\_\_\_ on \_\_\_ pages;
  - 1.4. \_\_\_\_\_ on \_\_\_ pages;
  - 1.5. \_\_\_\_\_ on \_\_\_ pages;
  - 1.6. \_\_\_\_\_ on \_\_\_ pages;
  - 1.7. \_\_\_\_\_ on \_\_\_ pages;
  - 1.8. \_\_\_\_\_ on \_\_\_ pages;
  - 1.9. \_\_\_\_\_ on \_\_\_ pages;
  - 1.10. \_\_\_\_\_ on \_\_\_ pages;
  - 1.11. \_\_\_\_\_ on \_\_\_ pages;
  - 1.12. \_\_\_\_\_ on \_\_\_ pages;
  - 1.13. \_\_\_\_\_ on \_\_\_ pages.

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*(Name, surname, position, signature of the executive body with representation rights or procurator, proxy of the Tenderer)*

**Annex 3**

To the Tender Documents of Open Tender  
“For the gas blowout safety supervision of 30 wells  
renovation works at Incukalns underground gas storage”

**Information on similar Works performed by the Tenderer over the last 3 (three) years (2016, 2017, 2018, year 2019 will be taken into account), which certifies compliance of the Tenderer with the requirements of Paragraph 7.4 of the Regulations**  
**“For the gas blowout safety supervision of 30 wells renovation works at Incukalns underground gas storage”**

Customer (name, address, contact person, phone number)*	Scope of performed works	Time of performance (hours or days)	Value of the performed Works, euros*	Year, month of performance

\_\_\_\_\_ 20\_\_\_\_

*\*not necessarily*

\_\_\_\_\_  
*(signature, printed name of company manager or its authorised person)*