

# Call for Nomination for the Tokamak Complex Contract TCCO

## PROCUREMENT SUMMARY

### 1 Introduction

The Call for Nomination subject of the present document is the first step of the Procurement process leading to the execution of a contract, called “Tokamak Complex Contract No. 01 – TCCO as further described in this document (hereinafter called “Contract”).

The purpose of this document is to provide a summary description of the Contract, 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 are capable of providing works and associated supplies and services for Contract.

### 2 Definitions

#### 2.1 Definitions:

The following list all specific acronyms and terms used in this document:

2.1.1	<b>Construction Management-as-Agent (CMA)</b> - the IO construction management agent; also referred to as MOMENTUM. The CMA is the IO appointed FIDIC engineer (or equivalent for non FIDIC contracts) during the IO site construction phase.
2.1.2	<b>Domestic Agency (ies) and/or ITER Domestic Agency (ies)</b> - the seven (7) Member partners to the ITER Agreement. The domestic agencies include the People’s Republic of China, European Atomic Energy Community, Republic of India, Japan, Republic of Korea, Russian Federation, and United States of America (hereinafter “Members”).
2.1.3	<b>Insured</b> - all parties covered under the existing ITER Construction and Erection All Risks policy. Parties include (1) ITER Organization (2) Fusion for Energy; (3) ITER Members and Domestic Agencies; (4) Contractors; (5) Subcontractors of any tier; (6) Suppliers and/or consultants (in respect to their site activities only).

2.1.4	<b>ITER Project or Project</b> - based in Saint-Paul Lez Durance, France, it is an international project that aims to demonstrate, through the ITER Organization and Council, the scientific and technological feasibility of fusion energy for peaceful purposes and to collect data necessary for the design and subsequent operation of the first electricity-producing fusion power plant.
2.1.5	<b>ITER or IO or ITER Organization</b> - an international fusion energy intergovernmental organization governed by the ITER Agreement with the charter to provide for and promote cooperation among the Members to implement and execute the ITER Project.
2.1.6	<b>ITER Agreement</b> - the agreement established 24 October 2007 and signed on 21 November 2006 by its Members through the establishment of the ITER Organization for the joint implementation of the ITER Project and its annexes.
2.1.7	<b>ITER Council</b> - is the principal arm of the ITER Organization and is composed of representatives of the Members. The ITER Council is responsible for the promotion, overall direction and supervision of the activities of the ITER Organization.
2.1.8	<b>ITER Project or Project</b> - all work in connection with the design, construction, assembly, testing, commissioning, ownership and maintenance of the project at a site located in Cadarache (France) including all ancillary and associated works in connection therewith located on the Project site.
2.1.9	<b>Paris Convention</b> - is an international agreement which established a union for the protection of industrial property.
2.1.10	<b>Site or Worksite</b> - is the designated location within the ITER premises at Saint Paul-lez-Durance, France.
2.1.11	<b>Voting Stocks</b> (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.
2.1.12	<b>Work(s):</b> the terms and conditions for the ITER defined contract scope to be executed by the ITER awarded contractor(s).

## 2.2 The ITER Project

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

## **2.3 The ITER Procurement Plan for Worksite 2**

The Tokamak Complex (Worksite 2) covers all assembly and installation activities related to Buildings 11/14/74, Building 15 (RF Heating Building), and connections to the Tokamak Complex via B13.

The ITER procurement plan pertaining to Worksite 2 will be based on three dedicated multi-disciplinary Contracts (electrical and mechanical) with each awarded contractor executing their specific scope allocation until commissioning of the Tokamak Complex systems, with subdivision of the works by-area and location.

The purpose of this procurement is to award the first multi-disciplinary Contract for a TCC0 Works scope only. It is expected to be rolled out using a progressive approach of an estimated sixty (60) CWP's divided into three (3) lots. This includes procurement, pre manufacturing, assembly and installation works inside the defined areas of the Worksite.

Award of a Contract for TCC0, and/or Contracts for Worksite 2 shall not affect the opportunity of the final awarded contractor or contractors to bid on other contracts for any ITER Worksites, subject to the individual contracting rules for these Worksites.

## **3 Scope of the Contract**

The purpose of this Contract is to establish the first 1<sup>st</sup> multi-disciplinary contract for a TCC0 scope of Work.

See Annex 1 for a complete technical description.

Notwithstanding the foregoing, the final scope this Contract will be further detailed at a later stage of the procurement process.

## **4 Required Competences**

See section 5 of the TCC0 Technical Summary in Annex 1.

## **5 Contractual provisions**

### **5.1 Contract Type**

For the TCC0 Contract, the type of Contract will be based on a schedule of unit rates and an estimated program of Works (volume and time schedule) for the ITER required activity specified in the Contract scope.

The Contract will be broken down into lots of about sixty (60) CWPs divided into three (3) lots and the Works will be confirmed, detailed and assigned progressively to the contractor. The Works shall be performed by the Contractor within ITER premises at Saint Paul-le-Durance, France, except for the prefabrication of the piping spools that would need to be erected in a contractor workshop outside the Worksite.

If applicable, the Contract will start with a preparation period, as defined solely by ITER, 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 operations.

The terms and conditions of the Contract may include provisions from 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 Worksite Works under the surveillance of the IO. If applicable, the CMA will also be appointed to undertake the role of the Engineer (as described in the FIDIC Red Book) or equivalent for the administration of this Contract.

## **5.2 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 fusion 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 will be included in the Contract signed by the contractors and the IO.

## 5.3 CEAR Insurance

The ITER Organization and Fusion for Energy (the European Domestic Agency responsible for providing buildings to the ITER Organization) have taken out a construction and erection all risks 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.

This insurance policy carries a global aggregate coverage limit of Euro 1,000,000 000 (one billion Euro).

The ITER Organization and Fusion for Energy will cover their own buildings used by the contractors to perform their duty on Site, excluding the content being the contractor's property.

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

## 6 Procurement Process

### 6.1 Procurement Procedure

The 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.

➤ Stage 2 - Pre-Qualification (PQ):

Following the Call for Nomination, the Pre-Qualification ensures that 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 - Invitation to Tender (IT):

Following the Call for Nomination and/or the Pre-Qualification stages, the Invitation to Tender stage is used to obtain proposals from qualified candidates identified as potential tenderers.

At Stage 1 (CFN), subject of the present document for TCC0, nominations are sought from ITER Domestic Agencies for companies, institutions or other entities that are capable of providing works and associated supplies and services for Contract without distinction.

At Stage 2 (PQ), the candidates shall decide to apply to the designated TCC0 lot either individually or collectively.

At Stage 3 (IT), the qualified candidates shall decide to bid on the TCC0 lot in line with their Pre-qualification applications, and being aware that the Contract and any of the lots thereto may be awarded to different tenderers.

## 6.2 Procurement Process Timetable

The tentative timetable for this TCC0 Contract is as follows:

Procurement Process Milestone	Date
Call for Nomination (CFN) Release Date	October 9, 2017
Pre-qualification(PQ) Release Date	December 18, 2017
Pre-qualification (PQ)Applications Submission Due Date	February 2, 2017
Invitation to Tender (IT) Release Date	March 2018
Invitation to Tender (IT) Submission Closing Date	April 2018
Contract Award	August 2018
Contract Effective Date	August 2019

*\*The estimated duration of the Contract may not exceed four (4) years.*

*\*\*Procurement process milestone dates are estimates and may change at IOs sole discretion.*

## 6.3 Candidature

Participation is open to all legal persons participating either individually or in a grouping (consortium) which is established in an ITER Member State. 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 prior written 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.

## **6.4 Contracting Rules**

Below mentioned restrictions apply to Parent Companies as well as to subsidiaries.

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).

### *6.4.1 Overall Contracting Rules for Worksite 2*

Considering the works as presented in Annex 1 of this document, a company or a consortium may tender for multiple lots and/or Contracts for Worksite 2. Further, award of a Contract for Worksite 2 shall not affect the possible award of contracts for other ITER worksites, subject to the individual contracting rules of these worksites.

In accordance to the previous provisions of this document, a Contract maybe awarded to two or more different contractors, composed of different companies with possible few exceptions for sub-contracting stated by the IO in the Pre-qualification documentation. IO has, at its sole discretion, the ability to award lots for this Contract individually or collectively.

### *6.4.2 Sub-contracting Rules for Worksite 2*

All sub-contractors who will be taken on by the contractor shall be declared with the Invitation to 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 and its cumulated volume is limited to 30% of the total Contract value.

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 may be considered for special cases duly mentioned in the Pre-qualification documentation. In that case, a letter of intention will be required for the IO approved sub-contractors.

### *6.4.3 Particular conflict of interest situation*

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;
- Project Management Services Contracts ref. IO/16/CT/4300001402 and IO/16/CT/4300001414, whatever the scope of services of the company in these Contracts;
- Alignment and Metrology Support Contracts ref. ITER/CT/6000000142, ITER/CT/6000000144 and ITER/CT/6000000146, if the company is assigned services related to TAC1 or TAC2 scope of works.

## **7 Annexes**

### **Annex 1:**

Technical Summary for the TCC0 Contract