

## REQUEST FOR EXPRESSION OF INTEREST FOR FIRMS TO OFFER FLEET LEASING SERVICES

<b>Sector:</b>	<b>Energy</b>
<b>Reference No:</b>	<b>KPI/9A.4/EOI/TPT/02/21-22</b>
<b>Country :</b>	<b>Kenya</b>

### BACKGROUND

The Kenya Power and Lighting Company PLC operates a 2100 units' company fleet spread across the country's forty-seven (47) counties to support various Company business activities. The fleet comprises of light utility, double cabin pickups, heavy duty single cabin pickups, medium trucks, truck mounted cranes, material handling equipment and motor cycles. The fleet units are purpose customized to company approved specifications.

The fleet is operated in line with three (3) fundamental objectives of: safety, reliability and cost effectiveness.

### OBJECTIVE

The Company wishes to explore fleet leasing as an alternative to fleet ownership in an endeavor to lower its transport costs and improve on fleet availability and reliability index in addition to leveraging on other benefits associated with the fleet leasing option such as cash flow management.

### THE SCOPE OF WORK

- Kenya Power is considering adopting a fleet leasing framework as opposed to the fleet ownership model it currently operates. The fleet population data is provided on Table 1 below:

KENYA POWER FLEET STATISTICS AS AT NOVEMBER 2021					
No	Description	No.	Est. Economical Life (Years)	Annual Mileage	Est. Economical Life Mileage
1	4*4 Light Utility < 1500cc	149	8	20,000	160,000
2	4*4 Sport Utility Vehicle <3000 cc	8	8	20,000	160,000
3	4*4 Double cabin Pick-up <2500 cc	319	8	20,000	160,000
4	4*4 Heavy Duty Pick-up > 3000cc	305	8	30,000	240,000
5	Microbus 14 Seater	21	8	20,000	160,000
6	Mini Bus - 29 Seater	17	10	20,000	200,000
7	Bus - 62 Seater	1	12	20,000	240,000
8	Light truck (3-5 Tonner)	147	10	20,000	200,000
9	Truck - 8T	351	12	20,000	240,000
10	Truck - 10T	13	12	20,000	240,000
11	Prime Movers	19	10	60,000	600,000
12	Prime mover Trailers	21	10	60,000	600,000
13	Motor Cycles - High performance 2 stroke 125 cc	613	6	10,000	60,000
14	4*4 Tractors	5	12		-
15	Forklift - 5 Ton	19	12		-
16	Forklift - 8 Ton	13	12		-
17	Pole Logger	37	12		-
18	Compressors	10	12		-
19	Cranes - 40 Ton	2	12		-
20	Speed Boat	2	12		-
21	Liveline Platforms	39	15		
22	Mounted Cranes	122	15		
23	Street Lighting Buckets	36	15		
<b>GRAND TOTAL</b>		<b>2269</b>			

- The lease is proposed to incorporate the asset, insurance and full maintenance. The tenderer is free to provide models for all available options including in addition to the proposed one.

- If the leasing option is evaluated and found more cost effective than ownership, the company proposes to adopt a phased approach on-boarding approximately a similar number of units each year over the estimated economical life of the various fleet categories.
- The vehicles shall be leased purpose built/customized to Kenya Power specifications.
- The leased vehicles shall be fitted with a fleet tracking and driver management facility under existing KPLC fleet tracking platform.
- Considering the dynamic and unique areas where the fleet shall be deployed, Kenya power proposes to have the lessor consider the average mileage covered by units in each category/lot for each billing period before charging for any excess mileage.
- The Kenya Power and Lighting Company PLC apportions transport costs to the various activities and tasks the fleet units are deployed based on mileage covered against a specific task. Consequently, the overall cost per kilometer is a fundamental accounting parameter for KPLC operations for vehicles and hourly charge out rate is used for the plant units.

### ELIGIBILITY AND QUALIFICATION CRITERIA

- Participating bidders shall be required to meet the requirements under Section 55 of the Public Procurement and Asset Disposal Act 2015 (Kenya).
- Bidders shall be required to demonstrate experience in Fleet Management Services in similar organisations or Government Agencies.
- A Demonstration of ability to provide the leased units and maintenance services in the KPLC's 47 County Headquarters and the following major depots: Naivasha, Nyahururu, Molo, Sotik, Habaswein, Gilgil, Sotik, Sori, Marigat, Malindi, Mpeketoni, Voi, Emali, Namanga, Mwingi, Tala, Kangundo, Matuu, Garsen, Moyale, Limuru, Githunguri, Ruiru, Thika and Kikuyu.
- Bidders shall be required to provide their proposed model in meeting KPLC's leasing requirements
- Bidders shall be required to provide proposed cost effective models complete with proposed residual values, sample service level agreement, carbon credits as a percentage of the initial unit costs to transition Kenya Power to Fleet Leasing.
- Where the consultant is a Joint Venture (JV), the Expression of Interest shall include a copy of the JV Agreement entered into by all members. Alternatively, a letter of intent to execute a JV Agreement in the event of a successful proposal shall be signed by all members and submitted with the Expression of Interest, together with a copy of the proposed Agreement.
- Bidders are required to include additional ideas/concepts/services which they can offer eg offering of insurance services, fueling options, maintenance services and any other information that may be important in the design of the Expression of Interest.

The Kenya Power and Lighting Company PLC now invites eligible Fleet leasing companies to express their interest in providing the proposed Fleet Leasing Services. Interested Suppliers must provide information indicating that they are qualified to perform the services (brochures, evidence of experience in similar assignments). Bidders may constitute joint - ventures to enhance their chances of qualification.

The Kenya Power and Lighting Company PLC will shortlist on the basis of the above listed criteria a maximum of Six firms to whom the Request for Proposals to carry out the Services shall be sent. The shortlisted bidders will subsequently be issued with Request for Proposals requiring the value proposition based on the average per kilometer cost over the proposed economic life.

Eligibility criteria, establishment of the short-list and the selection procedure shall be in accordance with the Expression of Interest. Interested suppliers may obtain further information at the address below during office hours, between **0900 to 1200** and **1400 to 1630** hours (East Africa time).

Completed Expression of Interest are to be submitted in electronic format on the KPLC's E-procurement portal in **PDF format** on the due date and time published on the portal. Tenderers are required to visit the portal and KPLC's website ([www.kplc.co.ke](http://www.kplc.co.ke)) and the DG Market's website ([www.dgmarket.com](http://www.dgmarket.com)) from time to time for revised closing dates and addendum. Prospective bidders should register for E-Procurement to enable them access the KPLC portal under "New Supplier Registration" found under the Tenders Tab. The Tender is to be submitted **ONLINE** on or before **5<sup>th</sup> January 2022 at 1000 hours (East Africa time)**.

Tenders will be opened electronically at **1030 hours (East Africa time)**. Bidders or their representatives are welcome to witness the opening at the **Stima Plaza Auditorium**.

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