

Pursuant to Article 181 of the Energy Law (Official Gazette of the Montenegro No. 28/10) and Decision No: 10-00 -5262 on the initiation and implementation of the procedure for procurement of the missing volumes of electricity in the period from January 1st, 2011 to December 31st, 2012, Montenegrin Electric Enterprise – JSC Nikšić, on behalf of FU Generation, announces:

INVITATION No. 27/10
to bid at international bidding for selection
of the best bid for procurement of the missing quantities of electricity
for the period from January 1st, 2011 to December 31st, 2012

1. Customer's data

Customer: Montenegrin Electric Enterprise - Nikšić	Contact persons: Momir Grbovic, B.Sc.E.E Vladimir Bojicic, M.Sc.Econ
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2. Subject of the public bidding

Montenegrin Electric Enterprise JSC Nikšić (hereinafter referred to as EPCG) is interested in purchasing part of the missing volumes of electricity in order to meet the consumption demands in Montenegro for the period January 1st 2011 – December 31st, 2012, in the aggregate of 545.950 MWh (NE 181.950 MWh, DE 364.000 MWh), by lots, according to diagram of the missing quantities of electricity given in the following table:

Lot N°	Lot I	Lot II	Total (MWh)
Period	01.01.2011. – 31.12.2011.	01.01.2011. – 31.03.2011.	
NS (MW)	50	50	
NE (MWh)	146.000	35.950	181.950
DS (MW)	50	50	
DE (MWh)	292.000	72.000	364.000
Total (MWh)	438.000	107.950	545.950

NS – night-time power
DS – day-time power

NE – night-time electric energy
DE – day-time electric energy

period from 00⁰⁰ to 08⁰⁰ h Central European Time
period from 08⁰⁰ to 24⁰⁰ h Central European Time.

The Bidder may submit a bid for one or more than one lot, or for the whole volume of electricity.

The Bidder may also submit a bid for portions of electricity demanded in a single lot, where the requested diagrams may only be changed proportionally. Within each lot, the Bidder may submit a bid for delivery of electricity of the minimum power amounting to 10 MW.

The Bid may contain only one volume of the offered electricity within one lot (either total quantity or a portion of that quantity).

EPCG will have indisputable right to enter into a Contract with a Bidder, on total offered quantity, or portion of the quantity of electric energy per Lots, as well as the right to conclude contracts with several bidders.

In case EPCG JSC Niksic is dissatisfied with offered prices, it reserves the right to request from authorized representatives of the Bidder, present at the opening of bids, adjustment of originally offered prices to lower ones.

EPCG will also have indisputable right not to conclude the Contract with any Bidder.

3. Delivery terms

Delivery point is the Border of Electric Power System of Montenegro, within the borders of Montenegro, which means that the Bidder shall provide 100 % of the cross border capacities on Montenegrin border.

The electric energy shall be delivered in line with daily and monthly programs which are to be coordinated by EPCG – FU Generation through National Dispatching Center of AD Prenos – Podgorica and authorized System Operator(s) appointed by the Bidder.

4. The Procurement foresees entering into of the General Agreement for the period from January 1st 2011 to December 31st, 2012.

5. The bid consists of the following:

5.1. Qualification documents including the following:

5.1.1. Arguments of the suitability of Bidder (Annex II – Tender documents);

5.1.2. Bidder's references.

5.1.3. A letter of confirmation signed by the Bidder, in which he explicitly and irrevocably recognizes his full and sole responsibility in guaranteeing the energy deliveries to the border of the Electric Power System of Montenegro;

5.1.4. A letter of confirmation signed by the Bidder, in which it shall be explicitly stated that the Bidder shall irrevocably undertake all and any expenses arising from the transmission of electric energy from its place of origin to the border of the Electric Power System of Montenegro. Under all circumstances, the electric energy shall be delivered free of charges of any kind and it shall be assumed that the offered price refers to electric energy delivered at the border of the Electric Power System of Montenegro;

5.2. Financial bids including the following:

5.2.1. Filled Bid form;

5.2.2. Banks guarantee amounting to 2% of the total value of the bid, as the guarantee that the Bid shall remain valid for 20 days, starting with the day of the Bid opening;

5.2.3. Letter on intent of the bank acceptable for EPCG with respect to the guarantee to be issued to the Bidder (Statement of the Bank that in case of being awarded the contract, it shall issue a guarantee to the Bidder in the amount of 5% of the total value of the Bid as a performance bond);

Note: All bidders having participated in Tender No. 83-09 and with whom the General Agreement for the year 2010 has been entered into, shall be obliged to submit only a **"FINANCIAL BID"**, pursuant to this Invitation.

6. Bids should be submitted in the official language spoken in Montenegro.

7. The alternative offers shall not be accepted.

8. Criteria applied for selection of the best bid is the lowest price offered!

9. Time and place of the insight into Tender documents

Interested Bidders may download tender documents from the web page of EPCG JSC Niksic www.epcg.co.me.

Interested Bidders may also submit the request for submission of Tender documents, during each business day through e-mail: vbojicic.proiz@epcg.co.me

10. Time and place for submission of the Bids

Deadline for submission of the bids shall be June 18th, 2010 (FRIDAY) inclusive by 11⁰⁰ h.

The Bid shall be classified into two separate envelopes, one of them marked as "**QUALIFICATION DOCUMENTS**" and the other one as "**FINANCIAL BID**".

The Bids (original and copy) shall be submitted in a sealed envelope with the following indication: »**OFFER FOR PUBLIC BIDDING No. 27/10; DO NOT OPEN BEFORE THE OFFICIAL COMMITTEE SESSION FOR OPENING AND EVALUATION OF BIDS**».

The Bids should be submitted to the following address:

**Elektroprivreda Crne Gore AD Niksic
FU Generation – Electricity Trading Sector
Vuka Karadzica No. 2, Niksic
MONTENEGRO**

Or submitted personally to the archive of the Company in sealed envelope by June 18th, 2010 (FRIDAY) by 11⁰⁰ h.

11. The Bid Opening Procedure

Opening of the bids shall be held after expiry of the final deadline for submission of bids, June 18th, 2010 (FRIDAY), by 11³⁰ h in the premises of EPCG, Company's Head Office, Vuka Karadžića Street No. 2, Nikšić.

If the offered price is higher than the one expected, EPCG JSC Niksic reserves the right to request from the authorized representatives of the bidders adjustment of the prices to lower ones.

If the need for that arises, the Bidder shall be introduced with the procedure of the adjustment of prices by the Commission on the very day of the opening of tenders.

In case representatives of the Bidder do not attend the bid opening procedure, the Commission shall consider the originally submitted offer pursuant to Invitation No. 27/10 in the evaluation process.

Incomplete, non-sealed and bids received beyond aforementioned deadline will not be taken into consideration.

Representatives of the Bidder who will attend the tender opening procedure will be obliged to enclose signed and verified authorization that they may be entitled to adjust the originally offered price of electricity in case that be requested by EPCG

12. Signing of the General Agreement

With all the Bidders who provide the complete "**QUALIFICATION DOCUMENTS**", EPCG AD Niksic shall sign the General Agreement for the period from January 1st 2011 to December 31st, 2012.

The Bidders with whom General Agreement is entered into pursuant to Invitation No. 83-09 (for the year 2010), based on the already delivered "**QUALIFICATION DOCUMENTS**", shall have the right to conclude General Agreement for the period from January 1st 2011 to December 31st, 2012.

13. Deadline for contract award

All bidders will be informed about the results of bidding within 20 days following the bid opening day.

14. Contact persons

EPCG AD FU Generation – Electricity Trading Sector

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15. Addition information

The Bidder may, in writing, ask for additional information and clarifications necessary for preparation of the bid, no later than 5 (five) days prior to the expiry of deadline for submission of bids.