

Liberia Electricity Corporation P.O. Box 10-165 Waterside 1000 Monrovia, 10 Liberia

Office of the Chief Executive Officer

LEC-ACEO/PRO./02/'24

March 4, 2024

Hon. Bodger Scott Johnson
Chief Executive Officer (CEO)
Public Procurement and Concessions Commission
Capitol Hill, 1000 Monrovia
10 Liberia

Dear Hon. Johnson,

SUBJECT: REQUEST FOR NO OBJECTION TO USE THE SOLE SOURCE METHOD OF PROCUREMENT TO AWARD A CONTRACT TO PETRO TRADE INC FOR THE SUPPLY AND DELIVERY OF ONE MILLION GALLONS OF HEAVY FUEL OIL (HFO) TO THE LIBERIA ELECTRICITY CORPORATION BUSHROD ISLAND BULK STORAGE TANKS

We present our compliments and wish to inform you that the LEC signed an agreement with CI Energies to supply 50MW power from the La Cote d'Ivoire to Liberia through the CLSG network to increase power supply to the national grid, especially during the dry season. Due to major challenges with some of its electricity generation plants, CI Energies has recently reduced exports to Liberia to just about 15 MW.

As you may be aware, January to March is the peak of the dry season in Liberia. Water inflow into the Mt. Coffee Dam is currently at its lowest in many years. Our records show an inflow of 14m³/s on Sunday, March 3, 2024, against a peak inflow of 1800m³/s in August last year. With these inflow levels, LEC can produce only 18 MW of electricity from the Mt. Coffee Dam for only three hours a day.

This unexpected reduction in imports through the CLSG system and limited generation from the Mt. Coffee Dam has resulted in higher than the planned operation of our thermal plants. Subsequently, we have far exceeded anticipated monthly fuel (HFO and LFO) consumption, resulting in a premature depletion of our fuel stock. Unless we can procure HFO immediately

Josephine Q Gelescia March 5, 2024 10:11 am to replace depleted stock, the ongoing load-shedding exercise would need to be expanded further.

To avoid significant widespread blackouts, the LEC must immediately procure one million (1,000,000) gallons of HFO. Our market research has revealed that Petro Trade Inc. is the only supplier with HFO in the country for immediate delivery. Petro Trade Inc. has been one of the regular suppliers of HFO to the Liberia Electricity Corporation. On January 19, 2023, a contract was signed between the LEC and Petro Trade to supply one million gallons of HFO to the LEC, and they satisfactorily executed the contract.

Given the above, LEC requests a "No Objection" to use the Sole Source Method of Procurement to award a Contract to Petro Trade Inc for the Supply and Delivery of one million (1,000,000) gallons of Heavy Fuel Oil (HFO) to the Liberia Electricity Corporation Bushrod Island Bulk Storage Tanks at the contract price of three million United States Dollars (US\$3,000,000.00)

Please be assured, Honorable Executive Director, that LEC will continue to diligently abide by the PPCC Act provisions. Thank you for your usual cooperation and professional guidance.

Sincerely yours,

For: Monie R. Captan
Chief Executive Officer

Attached:

- Signed Contract Agreement
- Signed Evaluation Report
- Signed Procurement Committee Resolution
- Draft Contract Agreement

REPUBLIC OF LIBERIA



PUBLIC PROCUREMENT & CONCESSIONS COMMISSION

EXECUTIVE MANSION GROUNDS, CAPITOL HILL, MONROVIA, LIBERIA

WEBSITE: www.ppcc.gov.lr EMAIL: info@ppcc.gov.lr PHONE SHORT CODE: 4357 Executive Mansion Grounds, Capitol Hill, Monrovia, Liberia



Ref. PPCC/RL/CEO/046/24'

March 4, 2024

Hon. Monie R. Captan

CHIEF EXECUTIVE OFFICER

Liberia Electricity Corporation Waterside Monrovia, Liberia

Dear Hon. Captan:

Subj: REQUEST FOR "NO OBJECTION" TO SINGLE SOURCE PETROL TRADE FOR THE SUPPLY AND DELIVERY OF HEAVY-DUTY FUEL OIL TO THE LIBERIA ELECTRICITY CORPORATION BUSHROD ISLAND BULK STORAGE TANKS

We present our compliments and wish to acknowledge receipt of your communication which sought the approval of the LEC's request to single source Petrol Trade for the supply and delivery of heavy-duty fuel oil to the Liberia Electricity Corporation Bushrod Island Bulk Storage Tanks at estimate contract value of US \$ 3,300,000.00 (Three Million Three Hundred Thousand United States Dollars)

The Commission upon thorough review of your documentation submitted is pleased to highlight the following:

That the LEC's request justification aligns with Section 55 of the PPCA: which states that the LEC agreement with CI Energies is to provide 50 mw of power from Ivory Coast to Liberia through the CLSG network to increase power supply to the national grid, especially during the dry season. However, Ci Energies recently reduced the number of kw allocated to LEC from 50 mw to 15 mw due to some of their generation plants being unavailable. It is important to state that this reduction has impacted LEC's power supply for the dry season negatively resulting into the emergency of their operations. Also, the Mount Coffee Hydro Plant cannot adequately generate the power needed to supply Monrovia and other areas due to low water inflows during the dry season. Therefore, the procurement of the 1,000,000.00 (One Million) gallons of heavy-duty fuel oil (HFO) is urgently needed to continue using the Thermal Plants at the Bushrod Island Station.

From the above findings mentioned, the Commission hereby grants an approval of LEC's request to single source Petrol Trade for the supply and delivery of heavy-duty fuel oil to the Liberia Electricity Corporation Bushrod Island Bulk Storage Tanks at an estimated contract value of US\$ 3,200,000.00 (Three Million Three Hundred Thousand United States Dollars).

Please note that an approval of a method on the procurement plan is deemed as the Commission's full approval and as such, a Procuring Entity will not be required to again request the use of said approved method.

The Public Procurement and Concessions Commission admonishes and deems it a priority that you remain in compliance with the PPCA. 2010, as we jointly aspire to achieve transparency, accountability, fairness, equality and ultimately public confidence in our procurement and concessions

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Bodger Scott/Johnson (Hon.)

CHIEF EXECUTIVE OFFICER

Regulating Procurement Compliance for National Development

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LIBERIA ELECTRICITY CORPORATION PROJECT PROCUREMENT PLAN - GOODS MARCH 1, 2024 - MAY 30, 2024 FUNDING SOURCE : LEC OPERATIONAL BUDGET

Approved By: Kwame Kpekpena Kwame Kositions: Chief Operating Officer

03/04/24 Date:

03/4/2H

pared By:

nes: Diabeson F. Beyan, Jr.
itions: Procurement Manager

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Mar. 5, 2024