

## Fublic Prucurement & Concessions Commission

EXECUTIVE MANSION GROUNDS, CAPITOL HILL, MONROVIA, LIBERIA





Ref. PPCC/RL/CEO/0508/25'

April 24, 2025

Hon. Thomas Z. Gonkerwon
INTERIM MANAGER DIRECTOR
Liberia Electricity Corporation
Monrovia, Liberia

Dear Hon. Gonkerwon:

Subj: QUERY ON REQUEST FOR "NO OBJECTION" FOR SPECIAL DISPENSATION IN ADJUSTING PROCUREMENT THRESHOLD AND LEAD TIMES FOR FISCAL YEAR 2025.

We present our compliments and wish to acknowledge receipt of your communication dated April 3, 2025, which sought the approval of the Commission for the Liberia Electricity Corporation (LEC) Special Dispensation to adjust procurement threshold and lead time for Fiscal Year 2025.

The Commission, upon thorough review of your request submitted, hereby grants an approval to the Liberia Electricity (LEC) to reduce lead time from four (4) weeks to two (2) weeks for the Restricted Bidding and National Competitive Method of procurement for recurrent procurement activities that critical to the operation of the LEC. Kindly ensure that the reduction in lead time does not affect competition, value for money and quality delivery. However, the Commission cannot grant "no objection" to the LEC to reduce lead time from six (6) weeks to four (4) weeks for International Competitive bidding method and the "Notification to Award contract" requirement. This is because the "Notification to award contract" requirement is critical to ensure oversight for high value purchases and ensure compliance with the PPCA, 2010. Furthermore, the Commission wishes to inform the Liberia Electricity Corporation that it is cognizant of the nature of State-Owned-Enterprises and large spending entities and is currently in the process of revising regulations pertaining to threshold and lead time to reflect current reality.

The Public Procurement and Concessions Commission admonishes and deems it a priority that you remain primarily 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 processes.

Bodger Scott Johnson (Won.)



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

OFFICE OF THE ACTING CHIEF EXECUTIVE OFFICER

LEC-AMD/PRO/03/25"

April 3, 2025

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

Dear Hon. Johnson:

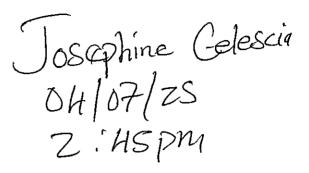
Subject: REQUEST FOR NO OBJECTION FOR SPECIAL DISPENSATION IN ADJUSTING PROCUREMENT THRESHOLDS AND LEAD TIMES FOR THE LIBERIA ELECTRICITY CORPORATION

We are pleased to extend our compliments and herewith request the commission's No Objection for a special consideration to adjust procurement thresholds for the LEC to compensate for the timeous and effective execution of her procurement activities.

The justifications to adjust the thresholds for procurement stem from the challenges the LEC is facing, which poses a significant strain on meeting targets and catering to the needs of its customers. The below bulleted points are reasons for said request.

The LEC, as a national utility, clothed with the mandate of providing uninterrupted power supply within the territorial boundaries of Liberia, is in most cases finding it difficult to stay within the approved thresholds because most materials used are easily above the USD10,000.00 benchmark set for Request for Quotations (which is the simplest form of acquisition). For example, a standard transformer within the network, which is a 250KVA rated distribution transfer, has an average cost of USD10,300.00 which makes procuring said equipment via NCB highly unlikely because it defeats the purpose of value for money;

The LEC Internal Audit Department as well as assigned auditors from the IAA, rightfully queried most of RFQ processes we do for being above the stipulated thresholds which is not deliberate, but rather the most prudent option in most cases when looking intent for obtaining value for money.



- Previous managements relied on approved thresholds within their contracts which set the basis for their operations. Manitoba Hydro International for instance, had stipulated thresholds negotiated and adjusted then to USD50,000.00 for Request for Quotations for Goods; with even lead times reduced because of the complexities most power utilities are faced with. During the previous regime, the National Security Council declared energy production and distribution a "National Security" priority hence, given the LEC flexibility to respond to the acquisition and installation of critical electrical-related materials through means that expedited the procurement processes;
- The conditions and difficulties encountered by the Utility more than a decade back are still prevalent when it comes to procuring for goods, works, services and nonconsulting services hence, the need to make adjustments that helps the corporation to effectively respond to not only planned procurement processes but emergencies that are not foreseeable;

In view of the afore mentioned, the LEC request a "NO OBJECTION" to the proposed adjusted thresholds and lead times in the execution of their procurement processes. Attached to this request are the proposed Thresholds and Lead – Times for the Commission's prompt consideration and non-objection.

Please be assured Honorable Executive Director that LEC will continue to strive to diligently abide by the provisions of the reinstated and amended PPC Act of 2010 as well as its accompanying regulations.

Sincerely yours,

Thomas Z. Gonkerwon

**Acting Managing Director** 

## Attached:

Proposed Thresholds and Lead Time Chart;

	s		Remove Requirement for contract award notices				eement tract	CORPORATE VIDE	7` 		7	
	Contract Award Notices		Remove Requiremen for contract award notices	T			Remove Requirement for contract award notices				Not Applicable	
LEC	Procurement Threshold		Above US\$500,000.00	Above US\$1,000,000.00			Threshold above US\$500,000.00	Threshold Above US\$1,000,000.00			US\$150,000.00	
	Procurement Lead Time for Bid Submission		4 Weeks	4 Weeks			2 Weeks	2 Weeks			1 week	
	Procurement Category		spoog	Works			Goods	Works			Goods	
	Contract Award Notices		Notification of Intend to Award Contract shall be sent to PPCC	Notification of Intend to Award Contract shall be sent to PPCC			Notification of Intend to Award Contract shall be sent to PPCC	Notification of Intend to Award Contract shall be sent to PPCC			Not Applicable	
2	Procurement Threshold	npetitive Bidding	Above US\$500,000.00	Above US\$1,000,000.00	(2014)	ITINE BIDDING (NCB)	US\$500,000.00	Threshold of US\$1,000,000.00		ation (RFQ)	US\$10,000.00	
PPCC	Procurement Lead Time for Bid Submission	International Cor	6 Weeks	6 Weeks	1	National Compet	4 Weeks	4 Weeks		Request for Quot	1 week	,
	Procurement Category	Sch.1: Procurement Method: International Competitive Bidding (ICB)	Goooj	Works		Scn.2: Procurement Wethod: National Competitive Bidding (NCB)	Goods	Works		Sch.3: Procurement Method: Request for Quotation (RFQ)	Goods	
	No.	Sch.1: Pr (ICB)	1	2.	1	SCN.2: P.	нi	2.		Sch.3: Pı	1.	

								Applicable
3	Works	1 Week	00'000'08\$\$0	Not Applicable	Works	1 Week	US\$100,000.00	Not
:								Applicable
Sch. 4: F	Sch. 4: Restricted Bidding Method (RB)	thod (RB)						
1.	Goods	4 Weeks	00:000'05\$\$0	In an	Goods	2 Weeks	US\$500,000	Nil
				appropriate			Above	
2.	Services	4 Weeks	US\$20,000.00	case, the PPCC	Services	Ī	Nil	Z
Э.	Works	4 Weeks	US\$100,000.00	may give	Works	Ni	E	Nil
				blanket				
				approval for				
				the restricted				
				bidding				
Sch.5: T	Sch.5: Thresholds for publication of planned sole source	tion of planned sc	ole source procurement	4				
	Goods	Nil		Publication	Goods	IZ.	US\$500,000.00	Nil
				prior to award			and above	
	Works	Zil		is required	Works	Nil	US\$100,000.00	Nii
				under the first				
				sentence of				
			Above	Section 56(2)				
			US\$100,000.00	for sole source				
				contracts				
				where the				
				estimated price			RAICITE	
				exceeds				
				US\$100,000.				
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