



Price Inquiry ref. PQ/ESO/12/48937/ADEL for the
Supply of LPG to the ALMA Observatory in San Pedro de Atacama for the period 01
January 2013 to 30 June 2014, with 3 options for 6 months of additional supply (i.e. until
31 December 2015).

CIRCULAR No. 3 - 29 August 2012 - Modification of the firm part of the Contract:

ESO has to reduce the firm part of the Contract from 2 years to 18 months.
The total maximum duration of the Contract remains unchanged: until Max. 31 December 2015.

QUESTIONS & REPLIES:

With reference to the above-mentioned Price Inquiry (PQ), we would like to inform you of the
following questions and replies:

Questions and Replies from Circular No.1

Question Q/PQ/ESO/12/48937/01.

Bidder's Form (Annex 1), section 2.1:

Question: Please could you indicate exactly the date to make reference the Refinery Price
(ENAP) in column A?

Reply R/PQ/ESO/12/48937/01:

*Please indicate the Refinery price applicable for the week preceding the deadline to send
the offers (i.e. starting on 23 August)*

Question Q/PQ/ESO/12/48937/02.

Statement of Work (SOW), section 3.1.4:

Can please you clarify whether LPG delivering can be done on Saturdays and Sundays in
addition to weekdays?

Reply R/PQ/ESO/12/48937/02:

Fuel delivery can be made 365 days/year.

Question Q/PQ/ESO/12/48937/03.

SOW, section 3.1.2 (Reference: Infrastructure al Alma):

- 1) In order to analyze and design of optimal logistics and operation, would it be feasible to have
the installation drawing for LPG, in especially in the area of discharge and storage unit?
- 2) How is measured the level of gas in the tanks. Example Rectogage?
- 3) If the installation at any time it is out of Chilean regulations, ESO is responsibility this
normalization?

Reply R/PQ/ESO/12/48937/03:

- 1) *Attached P&ID.*
- 2) *With a vibration Level Sensor, level control plus level switch.*
- 3) *The installation is regularized under Chilean regulations and approved by SEC.*

Question Q/PQ/ESO/12/48937/04.

SOW, section 3.1 (Delivery planning)

- 1) Can we make deliveries 365 days of the year?
- 2) The restriction for delivery of LPG in daylight, how does it work? Is it sufficient that it starts
with light of day, regardless of the end of light?
- 3) Is there any requirement for critical stock of LPG?



4) That happens before weather conditions that prevent the entry of trucks with LPG plant, plant operation is suspended- For example" the Bolivian winter rains"?

5) The download operation must be carried out by the supplier of LPG?

Reply R/PQ/ESO/12/48937/04:

- 1) Yes
- 2) *The full download must be done with solar light.*
- 3) *No, this will be defined during the operation time.*
- 4) *If the observatory is under an emergency condition ESO/ALMA puts in place an emergency plan which considers a power reduction.*
- 5) Yes.

Question Q/PQ/ESO/12/48937/05.

SOW, section 3.1.5. (LPG property handover):

1) Who shall be responsible for periodically calibrate the meter?

2) Hoses for the download operation must be provided by the supplier of LPG?

Reply R/PQ/ESO/12/48937/05:

- 1) *ESO-ALMA is the owner of the meter and responsible for the calibration.*
- 2) *Yes, the hoses must be supplied by the Contractor.*

Question Q/PQ/ESO/12/48937/06.

Draft Contract:

- 1) Comments on the draft contract must be made in the presentation of the tender on September 3rd?
- 2) In case of proposed amendments, this will be considered as a non-compliance with the contract?
- 3) According to article 8, Cancellation. In general it seems reasonable and we agree that ESO should cancel the contract because of repeated failure, and in consequently buy LPG from another distributor. However, the fines seem excessive and high, considering the high gas consumption that ALMA has (13 Million on 2013 and 16 Million on 2014), indeed: "Payment of the dispute to the term of the contract and also 20% of compensation." This Penalty it can be reduce to a bank guarantee equivalent to U.S. \$ 100,000, for example. In this sense, it should be consider that with the only fact of terminate the contract anticipated and switch the supplier, it is a significant penalty to the current supplier, due to the gas purchase commitments and their associated penalties due to the non-removal LPG and logistics contracts that the supplier has, for the supply of ALMA

Reply R/PQ/ESO/12/48937/06:

- 1) *Yes: if you have any comment on the draft contract, this must be included in your commercial proposal to be delivered latest on 03 September. The justifications and the detailed counter-proposal must be given.*
- 2) *Any proposed amendment to the Contract will be taken into account in the evaluation of the offers and may lead to rejection of an offer.*
- 3) *We want to make clear that:*
 - a. *The maximum 20% the Contractor would have to pay to ESO in case of contract cancellation for non performance would be calculated only on the General Expenses Price and not on the total price of the LPG.*
 - b. *The cancellation would be notified by ESO only after repeated non-performance and after a prior warning sent by ESO, which would give the chance to the Contractor to put in place the necessary actions to avoid such repetition.*

We wonder why you even envisage that ESO would resort to contract cancellation as we expect that only a serious company can be selected.

Question Q/PQ/ESO/12/48937/07.



Draft Contract:

Reference is made to the General Conditions document, Article 33. Where only the first part of the arbitration shall be conducted in Chile and the International Chamber of Commerce. You can change the arbitration to the Chamber of Commerce of Santiago de Chile?

Reply R/PQ/ESO/12/48937/07:

ESO does not intend to select the Chamber of Commerce of Santiago, as the Court of Arbitration of the International Chamber of Commerce is considered perfectly appropriate.

Question Q/PQ/ESO/12/48937/08.

Draft Contract:

Reference is made to the General Conditions document, Article 34 and 35. The conditions of the contract may be legal according to Chilean law only.

Reply R/PQ/ESO/12/48937/08:

The Chilean law shall apply subsidiarily to the Contract, i.e. only to areas not covered by the Contract documentation.

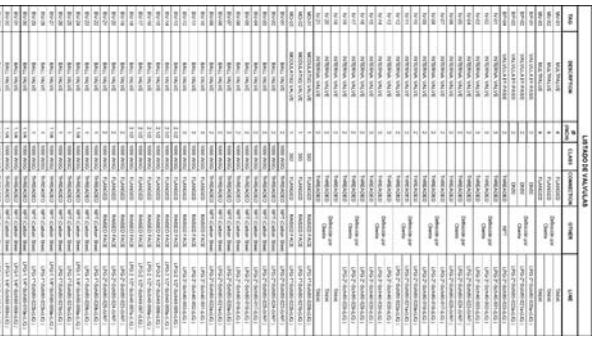
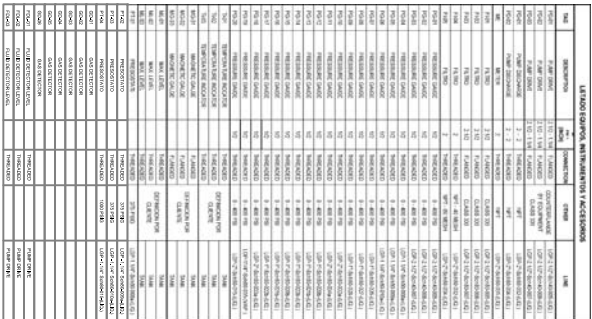
Questions and Replies from Circular No.2

Question Q/PQ/ESO/12/48937/09.

How should we do to deliver an alternative tender in addition to Annex 1 (BIDDERS FORM)? Will it be through an attachment in commercial proposal?

Reply R/PQ/ESO/12/48937/09:

*Yes, you can present it in a separate document:
in the commercial proposal for the part covering the financial and commercial aspects,
and
in the technical proposal for the part covering the technical & managerial aspects.
In any case a tender answering ESO requirements should be delivered (no alternative tender will be taken into account if the baseline requirements are not answered).*

[illegible][illegible]

Rev	Ficha	DESCRICION	Idioma	Formato	Apellidos
3	22/02/12	Contorno Bressan (DNI) por Dúelo.	M.C.	A3S	
2	16/02/12	Por movimiento de Líneas en cambio (apenas <i>Ativitas</i> de todo por <i>Ativos</i>).	M.C.	A3S	
1	16/02/12	Se contém (línea 0004, 0024 e 0026 de 2 a 11) 1/47.	M.C.	A3S	
0	16/02/12	Se adiciona <i>Ativitas</i> chub, <i>Ativos</i> de transito e <i>Se</i> <i>Ativos</i> <i>Ativo</i> 2.	M.C.	A3S	
B	29/10/11	Se adiciona <i>Ativitas</i> de <i>Ativitas</i> , <i>Ativos</i> (Relaciones) e <i>Ativos</i> .	M.C.	A3S	
A	29/10/11	<i>Ativos</i> y <i>Ativos</i> (Códigos) y <i>Ativos</i> (Relaciones) (Puede <i>Ativos</i> <i>Ativos</i>).	M.C.	A3S	

		AS BUILT	
Frazzetta per AL.M.A.			
PLANTAS ABASTECIMIENTO GLP OBSERVATORIO AL.M.A.			
CONTINUED	P & ID	MAYO 2012	Fecha
Operante A. POTTSCHEIDT	Proyecto final	IN-001-AL	Indicador
HIRACET P. N°			Dwg
			M.R.L.