



**REPUBLIC OF KENYA**  
**MINISTRY OF LANDS, PUBLIC WORKS, HOUSING AND URBAN DEVELOPMENT**  
**State Department for Housing and Urban Development**

**ADDENDUM II**  
**TENDER CLARIFICATIONS**  
**PROPOSED MANUFACTURE, ASSEMBLY, DELIVERY, INSTALLATION, TESTING,**  
**COMMISSIONING AND MAINTENANCE OF SMART ENERGY METERS FOR THE**  
**AFFORDABLE HOUSING PROGRAM UNDER FRAMEWORK AGREEMENT**  
**TENDER NO. SDHUD/784/SPPM/012/2025-26**

This is in reference to tenders' advertisement appearing in MyGov on 31<sup>st</sup> March, 2026 and Addendum 1 dated 23<sup>rd</sup> April, 2026.

| S/NO | CLARIFICATIONS   | RESPONSE  |
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| 1.   | <p><b>PRICE SCHEDULE</b></p> <p>We note a discrepancy in the quantities of smart meters indicated in the Form of Tender (277,212 units) versus the Framework Agreement (8,250 units) to be used for evaluation. Kindly clarify on which value should be adopted for pricing.</p> <p>Additionally, please advise whether there is a standard template for the Bill of Quantities to be submitted under this framework.</p>  | <p>The current quantities are 277,212 (Two Hundred and Seventy-Seven Thousand Two Hundred and Twelve) as per the attached Bills of quantities</p> |
| 2.   | <p>Provide a locally based installer / Subcontractor who holds and maintains the following valid registrations and practicing licenses throughout the contract period: (a) National Construction Authority (NCA) certification, Class 2 or higher, specifically for Electrical Works, evidenced by a current NCA registration certificate and a current practicing license; and (b) Energy and Petroleum Regulatory Authority (EPRA) A1 accreditation, evidenced by a current EPRA registration certificate and a current practicing license.</p> <p>Kindly clarify whether the bidder/tenderer may also qualify as the locally based installer, provided they meet the stated requirements,</p> | <p>Refer to Addendum 1</p>  |

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|    | or if this role must be fulfilled by a separate subcontracted entity..   |  |
| 3. | <p>MR1 - Valid Copy of company certificate of incorporation/ Registration issued by the Registrar of companies / Country of Origin. (For all Foreign or non-English-speaking countries, documents should be Translated to English and notarized)</p> <p>MR – 3 - Manufacturers will be required to provide notarized certificate of registration and an Original Equipment Manufacturer (OEM) declaration letter on the Manufacturer’s letterhead signed by an Authorized Officer. Could you please clarify the distinction between these two certificates of registration as referenced in these requirement? Specifically, we would appreciate guidance on whether both documents are required or if either one suffices depending on the bidder’s jurisdiction.</p> | <p>MR1 is the general company registration while MR3 is specific registration as a Original Equipment Manufacturer</p> <p>Both documents are Mandatory</p> |
| 4. | <p>Din rail meter normally is without LCD and hot swappable communication module, only BS type smart meter with LCD and swappable communication module.</p> <p>Shall we provide meter samples with BS type smart meter 3 MCU and 3 UIU ?</p>   | Refer to Addendum 1  |
| 5. | <p>PRICE SCHEDULE</p> <p>We note a discrepancy in the quantities of smart meters indicated in the Form of Tender (277,212 units) versus the Framework Agreement (8,250 units) to be used for evaluation. Kindly clarify on which value should be adopted for pricing.</p> <p>Additionally, please advise whether there is a standard template for the Bill of Quantities to be submitted under this framework.</p>   | Refer to clarification 1   |
| 6. | <p>On Page 114,<br/>0.1 FOREWORD, it mentioned Din Rail meter.</p> <p>On page 121,<br/>4.2.3, it mentioned meter with LCD.</p> <p>On Page 119</p>  | <p>Please refer to the Meters specified on the BoQ</p> <p>On the amoles refer to Addendum 1</p>  |

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|    | <p>4.2.2.7 it mentioned meter communication module shall be hot swappable</p> <p>Din rail meter normally is without LCD and hot swappable communication module, only BS type smart meter with LCD and swappable communication module.</p> <p>Shall we provide meter samples with BS type smart meter 3 MCU and 3 UIU ?</p>   |   |
| 7. | <p>4.2. Economic Evaluation</p> <p>iii. Conformance with the estimated cost: The estimate for the specified items in the Bills of Quantities shall be up to the rates summarized below.</p> <p>3.001 Single Phase Direct Meters 3.002 Single Phase CT Meters<br/>3.003 Three Phase CT Meters<br/>3.002 Three Phase 4-wire Smart Meter</p> <p>In the Bills of Quantities, we see four different types of meters, but in the SPECIFICATION, we only see single-phase smart meters. Please clarify which types of meters the bidders are required to provide in this tender</p>   | <p>Please read all the documents together and quote for the items as per the Bills of Quantity each item has a clear definition</p> |
| 8. | <p>SPECIFICATION: GENERAL AND PARTICULAR SPECIFICATIONS FOR SMART ENERGY METERS-</p> <p>4.2.2.9 The Meter shall communicate via GSM/GPRS/3G/4G/NB-LoT but shall also have a sealable slot to support field/hot swappable/replaceable plug-in type bi-directional communication modules with easy adaptability to network interfaces with other modes of communications: RS485, Modbus. The communication module shall be interchangeable by the different interfaces.</p> <p>1.The meters should be compatible with all communication frequency bands of GSM/GPRS/3G/4G/NB-LoT, or supporting some of them would suffice, as this is related to significant cost differences. Please kindly clarify the details.</p> | <p>Please read all the documents together and quote for the items as per the Bills of Quantity each item has a clear definition</p> |

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|     | <p>2. Modbus is mentioned here, and our proposed smart meter fully adopts the internationally recognized DLMS/COSEM protocol. Is this acceptable?</p>  |  |
| 9.  | <p>SPECIFICATION: GENERAL AND PARTICULAR SPECIFICATIONS FOR SMART ENERGY METERS-</p> <p>7.2 Samples 7.2.1 The tenderer shall submit three (3) MCUs and three (3) UIUs samples together with the tender documents. Samples shall not be returned to the tenderers.</p> <p>UIU samples are required, but we have not seen any technical requirements for UIU. Please clarify whether UIU samples need to be provided? and if so, what communication method will be required between the meter and UIU?</p>   | Refer to Addendum 1  |
| 10. | <p>A. Framework Agreement and Interpretation 1. Definitions</p> <p>“Installation Services” means all those services ancillary to the supply of the Plant for the Facilities, to be provided by the Contractor under the Framework Agreement, such as transportation and provision of marine or other similar insurance, inspection, expediting, site preparation works (including the provision and use of Contractor's Equipment and the supply of all construction materials required), installation, testing, pre-commissioning, commissioning, operations, maintenance, the provision of operations and maintenance manuals, training, etc...as the case may require.</p> <p>We have not seen the tender scope for power cables; will the winner bidder be required to remove the old meters and bear the cost of power cables during the installation service? Please kindly clarify the details.</p> | <p>Please read all the documents together and quote for the items as per the Bills of Quantity each item has a clear definition</p> <p>The power cables are not in this tender</p> |
| 11. | <p>A. Framework Agreement and Interpretation 1. Definitions</p> <p>“Installation Services” means all those services ancillary to the supply of the Plant for the</p>   | See Clarification 10   |

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|     | <p>Facilities, to be provided by the Contractor under the Framework Agreement, such as transportation and provision of marine or other similar insurance, inspection, expediting, site preparation works (including the provision and use of Contractor's Equipment and the supply of all construction materials required), installation, testing, pre-commissioning, commissioning, operations, maintenance, the provision of operations and maintenance manuals, training, etc...as the case may require.</p> <p>We have not seen the tender scope for power cables; will the winner bidder be required to remove the old meters and bear the cost of power cables during the installation service? Please kindly clarify the details.</p> |                                     |
| 12. | <p>P41/4.2 iii</p> <p>There is only a requirement for single-phase two-wire direct-connected meters in the bidding document, while no demands are specified for three-phase four-wire direct-connected meters, single-phase two-wire CT meters and three-phase four-wire CT meters.</p> <p>Please kindly advise whether the above three types of meters are required for this project. If yes, please provide the detailed technical specifications for reference.</p>   | Refer to Addendum 1                 |
| 13. | <p>P41/4.2 iii</p> <p>The technical requirements for single-phase two-wire direct-connected meters specified in the tender are consistent with KPLC's existing technical standards for this meter type. From 2023 to 2024, we supplied 100,000 electricity meters to KPLC, which were equipped with a keypad and without CIU. Please kindly confirm whether the single-phase direct-connected meters required in this tender shall fully comply with KPLC's technical specifications, namely with keypad and without CIU. Similarly, please advise if the three-phase direct-connected meters also need to be designed</p>   | Adhere to the issued specifications |

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|     | with a keypad and without CIU.  |   |
| 14. | <p>P41/4.2 iii</p> <p>Since Kenya's low-voltage power grid adopts a three-phase four-wire 230V system, the required CT meters for Kenya should be three-phase four-wire type. Single-phase two-wire CT meters are not a standard model locally and do not adapt to Kenya's on-site grid operating conditions. We believe the mention of single-phase two-wire CT meters in the tender is a clerical error. Kindly please confirm and advise.</p>  | <p>Please read all the documents together and quote for the items as per the Bills of Quantity each item has a clear definition</p>   |
| 15. | <p>Please kindly clarify the scope of installation works. Specifically, please confirm whether auxiliary materials, meter cabinets, wiring, circuit breakers and other additional items are included. The quotation will vary significantly based on different scopes of work. According to the current tender document, except for the smart meter itself, there is no mandatory requirement for additional installation accessories, auxiliary materials, meter boxes, on-site wiring, circuit breakers, current transformers and other auxiliary electrical devices. Please confirm whether all the above-mentioned materials and works are covered in the bidding scope. If included, please provide the relevant technical specifications, so that we can deliver fully compliant products and complete an accurate quotation.</p> | <p>Please read all the documents together and quote for the items as per the Bills of Quantity each item has a clear definition</p> <p>This tender is for smart meters only</p> |
| 16. | <p>11/4.4.11</p> <p>We propose an Active Energy Accuracy of Class 0.5s and Reactive Energy Class 2, with a Starting Current of 0.004In. Is this specification acceptable? Our proposal is based on two key considerations:</p> <p>1.The accuracy of KPLC's standard single-phase meters is Class 1. As the DCU acts as an upstream reference metering node (used for monitoring rather than direct billing), Class 0.5s accuracy is already twice as precise as the downstream meters, which complies with general international standards.</p>   | <p>Adhere to the issued specifications</p>  |

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|     | <p>2.The electrical sampling function of the DCU is primarily intended for transformer energy monitoring and operational status analysis. Class 0.5s accuracy is perfectly adequate for this scenario, whereas requiring Class 0.2s would incur unnecessary additional procurement costs.</p>   |   |
| 17. | <p>P93/FORM INV 6.1 - INVESTMENT PLAN TEMPLATE</p> <p>We have already established a local manufacturing plant in Kenya. Kindly advise whether we are still required to submit the investment participation plan document, namely FORM INV 6.1 – INVESTMENT PLAN TEMPLATE specified in Chapter 4.</p>  | <p>Refer to item 4 part 1 of the Assessment on Technical and Financial Capacity</p> |
| 18. | <p>P44/4.4</p> <p>As stated on Page 44, Chapter 3 regarding the delivery schedule: All goods listed in the bill of quantities shall be delivered within the acceptable time frame specified in Part 5 Schedule of Requirements, i.e., between the earliest delivery date and the final delivery deadline (both dates inclusive). Deliveries made prior to the earliest delivery date will not be considered for evaluation. Any bid with a proposed delivery time exceeding the final delivery deadline will be deemed invalid. However, the tender document does not specify the earliest delivery date and the final delivery deadline. Please provide these two clear dates. If such dates cannot be issued, kindly confirm whether this delivery requirement is still applicable.</p> | <p>The bidder is to issue a program of works with indicative timelines</p>          |
| 19. | <p>ADDENDUM I - TENDER CLARIFICATIONS ITEM 6</p> <p>With reference to ADDENDUM I - TENDER CLARIFICATIONS, the explanation regarding the submission of sample meters is rather ambiguous. Please kindly clarify whether only UIU samples are exempted, or all samples including MCU are not required to be submitted.</p>  | <p>Item 6 refers to all samples</p>   |
| 20. | <p>Kindly clarify whether the tender is limited to</p>  | <p>This tenders are for both</p>  |

|     | international bidders only.                         | international and local bidders   |
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| 21. | What is the commencement Period                     | <p>SCC 8 — Time for Commencement and Completion SCC 8.1: The Contractor shall commence work on the Facilities within _____ from the Effective Date is amended to read: <b>The Contractor shall commence work on the Facilities within Thirty (30) calendar days from the Effective Date of each call-off order, or such other period as stated in the specific call-off order. Commencement shall mean: submission of the call-off construction programme under SCC 8.3, issuance of the factory inspection notice under Clause 1.19.2, and mobilization of the Lift Engineer-in-Charge to the project site.</b></p>  |
| 22. | SCC 11.2 — Price Adjustment (Maintenance Component) | <p>SCC 11 — Contract Price SCC 11.2: The Contract Price shall be adjusted in accordance with the provisions of the Appendix to the Contract Agreement Titled Adjustment Clause. Is amended to read:</p> <p><b>SCC 11.2: The Contract Price shall be adjusted in accordance with the provisions of Appendix 2 (Price Adjustment) to the Framework Agreement. For the avoidance of doubt, price adjustment applies to both: (a) the supply and installation component of each call-off, using the index basket specified in Appendix 2; and (b) the maintenance fee component of each call-off, using a separate index basket weighted as follows: Kenyan Consumer Price Index (Labour and Overhead component) — 60%; Steel and Components Import Price Index (as published by the Kenya National Bureau of Statistics or equivalent) —</b></p> |

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|     |   | <p><b>20%; Fixed (non-adjustable) component — 20%.</b></p> <p><b>The Base Date for price adjustment for each call-off shall be the date thirty (30) days before the Effective Date of that specific call-off, not the Framework Agreement signing date.</b></p>   |
| 23. | Section VII — SCC Insert as new Schedule to the SCC — INVESTMENT AND MANUFACTURING MILESTONES | <p><b>NEW CLAUSE: SCHEDULE [X] — INVESTMENT AND LOCAL MANUFACTURING MILESTONES</b></p> <p>The following milestones are binding contractual obligations under SCC [NEW] (Framework Renewal and KPI-Based Continuation). Evidence for each milestone shall be submitted to the Project Manager within 14 days of the target month: Milestone M-1 (Month 3): Submit signed lease or ownership documents for Kenya facility site (minimum 2,000 m<sup>2</sup>) and local business registration certificate (KRA PIN, NCA certificate, investment permit). Consequence of failure: Written warning; Tier 2 reclassification if not cured within 30 days.</p> <p>Milestone M-2 (Month 9): Submit approved factory layout drawings and building permit; evidence of capital expenditure on facility fit-out. Consequence of failure: Demotion to Tier 2 call-off eligibility.</p> <p>Milestone M-3 (Month 18): First local assembly in Kenya; submit video evidence and independent QA inspection report to the Project Manager; KEBS/relevant certification application filed. Consequence of failure: Performance deduction of 5% of performance Security value.</p> |

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|     |   | <p>Milestone M-4 (Month 24): Full local assembly plant operational; all components passing through the Kenya facility; minimum 10 Kenyan technical staff employed on assembly; KEBS certificate of compliance submitted. Consequence of failure: Suspension of new call-off awards; risk of framework termination after 30-day cure.</p> <p>Milestone M-5 (Month 36): First call-off fulfilled using locally assembled lifts; local assembly content <math>\geq 40\%</math> by value certified by independent QA; KEBS periodic audit report submitted. Consequence of failure: Removal from Tier 1 preferred ranking until complied.</p>  |
| 24. | <p><b>1. Reliance on the original tender architecture.</b><br/>Following the publication of the tender on 31st March, 2026 and in advance of the pre-bid meeting of 14th April, 2026, our company invested significant time and money preparing a JV bid in strict reliance on the express provisions of the tender document. In particular:</p> <ul style="list-style-type: none"> <li>• ITT 4.2 limits JV membership to two parties - typically the OEM and the local installer - without prescribing which party is to take the lead;</li> <li>• ITT 13.1(j)(3) expressly contemplates three alternative qualifying instruments - a manufacturer’s authorization, a JV agreement with a local installer, or a declaration of local manufacturer presence - each of which is on equal footing; and</li> <li>• the evaluation criteria reward “already manufacturing locally” (Criterion 4 - 8 marks) and a Board Resolution plus Investment Plan to manufacture in Kenya within 24 months (Criterion 4 - 6 marks), neither of which presupposes that the lead bidder is itself the</li> </ul> | <p><b>1. Policy Rationale for Manufacturer-Led Requirement</b></p> <p>The requirement for the manufacturer to be the lead bidder is intended to:</p> <ul style="list-style-type: none"> <li>• Support the Government’s objective of promoting local manufacturing capacity building under the Affordable Housing Programme;</li> <li>• To catalyze and anchor local manufacturing capacity in Kenya, particularly for high-value MEP components.</li> <li>• To ensure direct accountability of Original Equipment Manufacturers (OEMs) in long-term performance, warranties, and lifecycle support Facilitate technology transfer and industrial development in Kenya.</li> </ul> <p>This requirement is therefore</p> |

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| <p>foreign OEM.</p> <p><b>2. Executed JV agreements.</b><br/> On the strength of the foregoing, we have already executed a binding JV agreement with our foreign OEM partner; obtained, paid for and lodged the prescribed notarizations and apostilles on the JV deed and supporting Powers of Attorney; applied for our Tender Security in favor of the JV; mobilized our Manufacturer’s Authorization, OEM declarations and component certifications; and instructed our auditors and bankers towards the financial-capacity submissions on Forms FIN 3.1-3.3. To unwind, re-paper and re-execute the JV in favor of a different lead party at this stage is, in real terms, to begin the bid afresh.</p> <p><b>3. Closure on 14th May, 2026.</b><br/> The tender now closes on 14th May, 2026. The change introduced by the Addendum is not a clarification; it is a structural reallocation of responsibility, signing authority, tax residency, banking, and the chain of warranties and indemnities running between the parties. None of those instruments can be re-executed and re-notarized across jurisdictions in approximately seventeen calendar days. The practical effect is to disenfranchise tenderers who, in good faith, structured their bids in reliance on the document as published.</p> <p><b>4. Section 75 PPADA, 2015.</b><br/> We respectfully draw the State Department’s attention to Section 75 of the Public Procurement and Asset Disposal Act, 2015, which requires that, where amendments to a tender document are issued, tenderers be afforded reasonable additional time to prepare their bids. The orthodox practice in such circumstances - where the change is so material that it goes to the very root of the Structure - is to extend the submission deadline by a margin commensurate with the change, or to withdraw and re-issue the</p> | <p>developmental and strategic, rather than purely procedural</p> <p><b>2. CLARIFICATION ON JV OPERATIONAL STRUCTURE</b><br/> For avoidance of doubt:<br/> The designation of the manufacturer as lead bidder is for policy and compliance purposes;<br/> The manufacturer (lead bidder) may issue a <b>Power of Attorney (PoA)</b> or equivalent legally binding instrument to the JV partner;<br/> Such PoA may authorize the JV partner to:</p> <ul style="list-style-type: none"> <li>● <b>Prepare and submit the bid;</b></li> <li>● <b>Execute the contract;</b></li> <li>● <b>Undertake installation, commissioning, and maintenance obligations.</b></li> </ul> <p>This approach ensures that, Manufacturing commitments remain secured at OEM level, while, Execution flexibility is preserved for local partners</p> <p><b>3. EFFECT ON EXISTING JV ARRANGEMENTS</b><br/> Bidders who have already constituted JVs are not required to fundamentally restructure their operational arrangements;<br/> Compliance may be achieved through:</p> <ul style="list-style-type: none"> <li>● <b>Designation of the manufacturer as lead; and</b></li> <li>● <b>Submission of an appropriate Power of Attorney or delegation instrument.</b></li> </ul> <p><b>4. CONTINUITY OF OTHER TENDER</b></p> |
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| <p>tender.</p> <p><b>5. Article 227 of the Constitution.</b><br/>Article 227(1) requires public procurement to be fair, equitable, transparent, competitive and cost-effective. Penalizing tenderers for a JV structure they were expressly invited to adopt is the opposite of fair and equitable, and the implicit narrowing of the field to OEM-led JVs is the opposite of competitive.</p> <p>We accordingly request the Procuring Entity to:</p> <p>(a) Withdraw the requirement that the lead JV member must be the manufacturer; or</p> <p>(b) In the alternative, expressly grandfather all JV agreements executed prior to Addendum I, and grant a tender-submission extension of not less than thirty (30) calendar days to permit those bidders who must restructure to do so without breach of the tender's notarization, apostille and signing requirements.</p> | <p><b>PROVISIONS</b></p> <p>All other provisions of the Tender Document and Addendum I remain unchanged.</p> <p><b>5. COMPLIANCE</b></p> <p>Bidders are advised to ensure that their submissions:</p> <p><b>Clearly indicate the manufacturer as the lead JV member; and</b></p> <p><b>Include the necessary Power of Attorney or legal authorization where applicable.</b></p> <p>The Procuring Entity remains committed to ensuring a procurement process that is fair, equitable, transparent, competitive, and cost-effective in accordance with Article 227 of the Constitution and the Public Procurement and Asset Disposal Act, 2015.</p> |
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All the other conditions remain the same.

**Head Supply Chain Management Services**

**For: The Principal Secretary**

**Ministry of Lands, Public Works, Housing and Urban Development**

**State Department for Housing and Urban Development.**

**P.O. Box 30119 -00100 NAIROBI, KENYA**

**Dated 30<sup>th</sup> April, 2026**