

## TECHNICAL SPECIFICATION

### 1. TERMS AND ABBREVIATIONS

- 1.1. **Customer** – UAB Kauno kogeneracinė jėgainė.
- 1.2. **Contractor** – an economic undertaking – a natural person, a private legal person, a public legal person, other organisations and their subdivisions, or a group of such persons with whom the Customer concludes a Contract.
- 1.3. **Party** – the Customer or the Contractor, each individually. Parties shall mean the Customer and the Contractor both together.
- 1.4. **Contract** – a contract concluded between the Contractor and the Customer for the object of Procurement.
- 1.5. **Works** – works of manufacture and installation of GRP (glass reinforced plastic) pipes.
- 1.6. **Related works/ Other works** – works which are not provided for in the Contract, but directly related to the Works provided for in the Contract and necessary for the performance (completion) of the Contract.
- 1.7. **Materials** – materials that are necessary for the performance of the Works.
- 1.8. **Technical Supervisor** – a certified technical supervisor of construction works selected by the Customer.
- 1.9. **Technical Specification** – this document, including all the annexes thereto.
- 1.10. **WAC** – Work Acceptance Commission appointed by the Customer, which accepts the works performed by the Contractor.
- 1.11. **Work Schedule** – the schedule of the Works drafted by the Contractor and agreed with the Customer used as a basis for carrying out and monitoring contractual obligations.
- 1.12. **Order** – a written document specifying the scope of the Works, the addresses and the time limit for the performance of the Works submitted to the Contractor by a text message, e-mail, telephone and/or through the information system specified by the Customer.
- 1.13. **Deed** – a deed of acceptance – transfer of the Works/ a Stage of the Works provided for in the Contract and signed by the Contractor and the Customer.
- 1.14. **Related Goods** – Goods which are not specified in the Technical Specification, but which are, technically or by virtue of their intended use, related to the object of Procurement.
- 1.15. **Related Services** – are services which have not been specified in the Technical Specification, but which are related to the object of Procurement procured.

### 2. OBJECT OF PROCUREMENT

- 2.1. GRP pipes manufacturing and erection / GRP vamzdžių gamybos ir montavimo darbai.

### 3. SCOPE OF THE OBJECT OF PROCUREMENT

- 3.1. The Table 1 below lists the scope of Works:

**Table No. 1**

Seq. No.	Works	Unit of measure	Quantity/ Preliminary quantity during the validity period of the Contract
1.	Manufacture of GRP pipes and their fittings according to isometric drawings provided by the Customer and their delivery to the specified address	Set	1 set, the Customer undertakes to purchase the entire quantity
2.	Installation of GRP pipes and their fittings at the Customer's plant according to the isometric drawings provided	Set	1 set, the Customer undertakes to purchase the entire quantity
3.	Additional hour of work of an engineer	1 h	10 hours, preliminary quantity for the validity period of the Contract; the Customer does not commit to purchase the entire quantity
4.	Additional hour of work of an installer	1 h	10 hours, preliminary quantity for the validity period of the Contract; the Customer does not commit to purchase the entire quantity

### 4. PLACE OF PERFORMANCE OF CONTRACTUAL OBLIGATIONS

4.1. Works shall be performed at Jėgainės g. 6, Biruliškės, Kaunas district, Lithuania.

## **5. REQUIREMENTS FOR THE OBJECT OF PROCUREMENT**

### **5.1. Description of the current situation**

- 5.1.1. The existing stainless steel pipelines shall be replaced by GRP pipelines, retaining all fittings and meters.
- 5.1.2. The Customer shall engage in dismantling of the existing pipelines. The pipelines shall be dismantled no later than 10 business days after signing the Contract.
- 5.1.3. The Customer shall ensure that all metallic support structures provided for in the submitted isometric drawings (Annexes 1, 2, 3 to the TS) are prepared.
- 5.1.4. All fittings (valves, non-return valves, expansion joints, meters) shall be provided by the Customer. The Contractor shall install these parts in the pipeline.
- 5.1.5. The Customer shall erect scaffolding in accordance with the Contractor's instructions at the locations required for the installation of the pipeline.
- 5.1.6. If necessary, the Contractor shall arrange mobile lifting equipment (Manitou, crane or equivalent).

### **5.2. Description of the object of procurement**

- 5.2.1. All works and materials shall comply with all relevant occupational health and safety, environmental and fire safety requirements applicable in the Republic of Lithuania.
- 5.2.2. All piping and fittings shall be made of GRP (glass reinforced plastic) Derakane Momentum 411 vinyl ester resin or equivalent material, resistant to acids and alkalis and capable of withstanding temperatures up to 80°C.
- 5.2.3. All piping and fittings shall comply with DIN 16965 and DIN 16966 or equivalent standards.
- 5.2.4. Gaskets shall be made of EPDM (ethylene propylene diene monomer rubber) or equivalent.
- 5.2.5. All fasteners shall be HDG (Hot-dip galvanising) or equivalent.
- 5.2.6. All nozzles and loose flanges shall be pressure class PN16. All other GRP piping elements (pipes, elbows, transitions, three-way stop cocks) shall be of pressure class PN10.
- 5.2.7. The Contractor shall:
  - 5.2.8. manufacture and deliver GRP pipes and fittings in accordance with the isometric drawings and bills of materials (Annexes 1, 2, 3, 4, 5 to the TS);
  - 5.2.9. deliver HDG fasteners and EPDM gaskets to allow the assembly of the complete pipeline;
  - 5.2.10. assemble and, where necessary, reinforce the pipeline and fittings according to the isometric drawings provided;
  - 5.2.11. conduct a hydraulic test. Representatives of the Customer shall be present during the test.
  - 5.2.12. when starting the works, the Customer's representative shall present the principles and requirements for safe operation of the plant.
  - 5.2.13. Having installed all the equipment, the Customer shall conduct inspections before signing a deed of acceptance – transfer.
  - 5.2.14. Pipelines shall be marked to show the direction of flow.

## **6. PROCEDURE AND DEADLINES OF PERFORMANCE OF WORKS**

- 6.1. The Works shall be completed within 120 (one hundred and twenty) business days of the placing of the Order.
- 6.2. The Contractor shall immediately inform the Customer of the completion of the Works and, having agreed with the Customer on the time of transfer - acceptance of the Works in writing, shall hand over the completed Works to the DPK / sign a Deed.
- 6.3. For any delay in the completion of the Works within the time limit set out in Clause 6.1 of the Technical Specification, the Contractor shall pay to the Customer, at the Customer's request, a default interest of 0.05 per cent of the Contract Price exclusive of VAT for each business day of delay (but, in any case, not less than EUR 100.00 (one hundred Euro 00 ct) per period of delay.

## **7. QUALITY OF WORKS AND THE FIXING OF DEFECTS**

- 7.1. The quality of the Works performed by the Contractor shall comply with the requirements of the applicable normative construction technical and normative building safety and intended purpose as well as environmental documents and standards, as laid down in the legislation for the performance of the Works under this Contract, the Technical Specification or any other documents attached, which provide for the quality requirements for the Works, as well as the requirements normally applicable in respect of the Works of this type.
- 7.2. The Works shall be subject to the quality guarantee period provided for in the Law on Construction of the Republic of Lithuania, which shall be not less than 2 years from the date of signing of a deed of acceptance – transfer.
- 7.3. A period of time of 20 (twenty) business days shall be set for fixing the defects in the result of the Works identified by the Customer.

7.4. Non-compliances with the Technical Specification requirements and legal acts governing the quality of Works shall be considered defects in the Works and/ or the Work result.

7.5. The Contractor shall pay the Customer, at the Customer's request, default interest of 0.05 per cent of the Contract Price/ Stage Price, exclusive of VAT, per each business day of delay (but in any case not less than EUR 100.00 (one hundred euros 00 ct) per period of delay.

7.6. The time limit for fixing defects in the Works may be extended if, before the expiry of the time limit for fixing the defects specified in the Contract, the Contractor submits to the Customer a reasoned request accompanied with evidence that:

7.6.1. the fixing of defects and/or a failure requires ordering additional equipment/materials/parts, the necessity of which the Contractor could not foresee and the ordering and delivery of which will take longer than 5 (five) business days.

7.6.2. a longer period of time is necessary to fix a deficiency and/or failure due to a complex technical solution where such a deficiency and/or failure is due to reasons other than the Contractor's negligent performance of the Contract.

7.7. If the Customer does not approve a permission to extend the time limit for fixing defects within 3 (three) business days, this shall be deemed a refusal to extend the time limit for fixing defects. In all cases, the time limit may not be extended for a period of time longer than the time limit for fixing defects specified in clause 4.6. of the Special Part.

7.8. The Parties hereby agree that no separate agreement shall be signed for the extension of the time limit for fixing defects. A Contractor's request and a Customer's written consent shall be deemed to be equivalent. All documents submitted by the Contractor and the Customer's consent shall be considered an integral part of the Contract.

## **8. TERMS OF PAYMENT**

8.1. After the Contractor has completed all the Works provided for in the Contract and the Parties have signed a Deed, the Customer shall pay the Contractor within 30 (thirty) days from the date of receipt of an Invoice.

8.2. The Customer shall be issued an invoice for payment in accordance with the procedure set out in the General Part of the Contract within 5 (five) business days from the date of signing a Deed.

## **9. DOCUMENTS SUBMITTED ALONG WITH THE WORKS PERFORMED**

9.1. As-built documentation

9.2. Quality assurance and installed equipment documentation

9.3. Declarations;

9.4. Certificates;

9.5. Deeds on the Works performed.

## **10. CONTRACTUAL OBLIGATIONS OF THE CONTRACTOR**

10.1. The Contractor shall be provided with the lifting machinery, tools, equipment, other equipment, materials and resources necessary for the performance of the Works. The Customer shall not provide the Contractor with any technical means, means of transport, communication or other means and mechanisms necessary for the performance of the Contract, except as specified in clauses 5.1.5 and 5.1.6 of the TS.

10.2. During the performance of the Works, the Contractor shall protect the equipment installed nearby and the surrounding environment and, in the event of contamination and/or damage thereof, it shall clean it up or reimburse all the relating losses to the Customer.

10.3. The Contractor shall protect the Customer's property in the performance of the Works. In case of damage/ severe damage to the property, it shall fix it or reimburse all the relating losses to the Customer;

10.4. The Contractor shall comply with the effective versions of the legal acts and normative documents governing the performance of the Works.

10.5. The Contractor shall be responsible for the organisation of safe working conditions and fire safety, and shall record and investigate all accidents to its own employees and those of its subcontractors in connection with the Works from the commencement of the Works until their completion. The Contractor and/or its subcontractors (if any) shall ensure safe working conditions to prevent accidents from occurring. The Contractor and/or its subcontractors (if any) shall comply with all safe working requirements set out in the respective regulatory enactments of the Republic of Lithuania and laws.

10.6. Having completed the Works, the Contractor shall, at its own expense, clean up the site of performance of the Works and remove and dispose of the waste in accordance with the procedures established by law. From the moment of signing the Contract, the Contractor shall be materially responsible for proper disposal of all waste generated during the performance of the Works, providing the Customer with documents in evidence thereof confirming this in accordance with the procedure and within the time limits established by law.

10.7. During the performance of the Works, meetings between the Customer and the Contractor may be held to discuss the progress of the Works. The Contractor shall attend the meetings, sittings and consultations if invited by the

Customer. The Contractor shall not be paid any additional remuneration for attending the meetings. Each party shall notify the other party in writing at least three (3) business days prior to the commencement of the meeting of its intention to hold a live meeting. The Contractor shall be obliged to come to the Customer's premises at the Customer's request and attend the live meeting.

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## **11. CONTRACTURAL OBLIGATIONS OF THE CUSTOMER**

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11.1. The Customer shall give the Contractor the opportunity to inspect and assess the site of the Works and to estimate the potential scope of the Works. Prior to arrival, the time of inspection shall be agreed upon in advance with the contact person specified in the contract documents.

11.2. The Customer shall provide the Contractor, free of charge, with the technical water and electricity necessary for the performance of the Works, and, if possible, with a changing room for the employees and a WC.

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## **12. ANNEXES**

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12.1. Anne No. 1 - KKCHP-10QMA-41810\_Pipe Drawing001. Isometric drawing of the pipeline to be manufactured and installed.

12.2. Annex No. 2 - KKCHP-10QMA-41811\_Pipe Drawing001. Isometric drawing of the pipeline to be manufactured and installed.

12.3. Annex No. 3 – KKCHP-10QMA-41812\_Pipe Drawing001. Isometric drawing of the pipeline to be manufactured and installed.

12.4. Annex No. 4 - KKCHP-10QMA-41811\_Parts List001. List of parts for the pipeline to be manufactured and installed.

12.5. Annex No. 5 - KKCHP-10QMA-41812\_Parts List001. List of parts for the pipeline to be manufactured and installed.