

 YUKON ENERGY	Goods & Services Guidelines GS-001	DEPARTMENT:		INQUIRIES TO:		TOPIC:	
		All		Corporate Services		Definitions	
		ISSUED:		REVIEW DATE:		APPROVED BY:	
		March 2006		February 2009		Director, Corporate Services	

Award The notification to a bidder that their bid has been accepted and that Yukon Energy will be issuing a legal binding agreement to that bidder.

Best Value Means overall best choice, as defined by the evaluation criteria (i.e. quality, availability, price, compatibility, qualifications, proposal process, innovation, etc.)

Bid An offer, as a price, whether for payment or acceptance. Usually a proposal submitted to the corporation in response to a request for bids to supply goods or services.

Bid Close The time and date indicated in the bid document after which bids/responses will not be accepted.

Bid Deposit/ Surety Bond

A guarantee, in the form of a bond or deposit, that the bidder, if selected, will sign the contract as bid: otherwise, the bidder (in case of a deposit) or the bidder or their guarantor (in the case of a bond) will be liable for the amount of the bond or deposit.

Bid— Formal

A bid/tender that is requested and responded to in writing.

Bid – Invitational

A bid that is extended to a selected number of firms by invitation. An invitational bid may be restricted (only those invited may bid) or non-restricted (other firms may bid if they wish).

Bid Shopping

The act of asking a vendor(s) if they can better an acceptable low bid (price) from another vendor on a commodity or service. The action allows other vendors to provide a better priced bid or some other aspect that would better the lowest acceptable bid that the corporation received. Such action is unethical, illegal and if done under a competitive bid process is, in fact, an attempt at bid manipulation.

Bidder A person, proprietorship, partnership or corporation that submits a proposal.

Bond – Payment/Labour

Protection for the buyer against liens which may be granted to vendors of material and labor to the bidder, in the event the bidder does not make proper payments to its vendors.

Bond – Performance

A guarantee that the work done will be done according to specifications and in the time specified. If the Yukon Energy has to go to another vendor for rework or to get the order completed, Yukon Energy is indemnified for these extra costs.

Competitive Bid

A process where all bidders compete with one another when bidding upon the same bid.

Construction

Work to build, repair, renovate, restore, maintain or demolish a structure and includes the hiring of equipment and services necessary for that work.

Consultant

A person, proprietorship, partnership or corporation with qualifications, by education (credentials) or by experience, in scientific, technical, managerial, accounting or any other field that is required to perform specialized services.

Contract A deliberate verbal or written agreement between two or more competent persons to purchase goods and or services and perform construction or services.

Contracting Authority

Any employee having authority to enter into a contract on behalf of Yukon Energy.

Contractor Any person, proprietorship, partnership or corporation which contracts to perform work or supply goods or services in accordance with a Purchasing Agreement.

Delegated Financial Authority

A person who has been designated and approved to purchase goods or supplies within stated financial parameters.

Emergency Purchase

An emergency purchase is classified as a procurement which is needed to “protect life and property, prevent substantial economic loss, and/or prevent the interruption of essential services.”

Evaluation Criteria

Criteria against which bids are evaluated for determining qualified bids and for the selection of the winning bid.

Letter of Acceptance

A letter pursuant to a bid provided to the successful bidder, approved and signed by Corporate Services which indicates that the submitted bid has been accepted and that Yukon Energy will be issuing a legal binding contract to that bidder.

Letter of Intent

A letter indicating a preliminary contractual arrangement customarily used in situations where the items, quantities, price and delivery dates are known, but where the principal contract provisions require additional time-consuming negotiations. It is used to enter into an interim agreement, pending a definitive contract, so as to permit that start of construction, production, or delivery of the vendors or materials

Local Contractor

A person, proprietorship, partnership or corporation whose main place of business is the community in which the work is to be performed.

Lump Sum Price

A price agreed upon between the vendor and purchaser for a group of items without breakdown of individual values: a lot price. In construction, “lump sum” means a fixed total price for the complete project, as specified. Further, the price is the total amount and the total price will not decrease or increase except by the approval of a change to the work approved by Corporate Services.

Pre-Qualify Vendor

A formal process undertaken either on a project specific basis or on a regular operational basis to qualify vendors who are able to bid, undertake and complete specific types of work (contracts) for Yukon Energy in a safe and competent manner.

Price-Driven Contract

A contract entered into as the result of a bid that has price as its’ primary criteria (greater than 51%) of the award.

Proposal A written form of bid or submission from a person, proprietorship, partnership or corporation.

Public Tender

An invitation to tender that is advertised publicly and to which any interested firm may submit a tender bid.

Purchasing Agreements

Purchasing Agreements can be initiated by Corporate Services or by an outside party, usually the vendor. Purchasing Agreements generated by Corporate Services may include, without limitation, purchase orders, standing agreements, contracts, letter of intent (for purchase), partnership agreements and other written purchase documents.

Purchasing Agreements initiated by an outside party may cover the purchase of materials, equipment, professional services, construction and lease/rental agreements.

Quotation – (Informal)

A statement of price, terms of sale and a description of goods or services offered by a vendor; a bid that is requested and responded to orally or in writing. When given in response to an inquiry, is usually considered an offer to sell.

Request for Bid (RFB)

A competitive bid process that is undertaken typically for transactions where price is the key factor in the purchasing decision.

Request for Proposals (RFP)

A competitive bid process that is undertaken typically for higher dollar value and/or complex transactions. Factors other than price will be used to make the final purchasing decision. An invitation to perform or provide a function, service or product that cannot be fully defined or specified.

Scope The technical conditions and specifications of a job; the overall requirements or deliverables of a specific project.

Signing Authority

Authority delegated to specific employees of Yukon Energy, empowering them to financially commit the Corporation to legally binding obligations, but which are limited by dollar amounts and may be limited to certain types of obligations. Exercising of an individual Signing Authority is typically limited to the area of the employee's functional role and responsibility, unless otherwise stated within their job responsibilities.

Single Source

A method of purchase where the purchase is made from one single vendor or source even though other vendors exist that can bid or supply the goods/materials or services.

Sole Source

A method of purchase where there is only one source of supply for the requirements of the corporation. This type of purchase is done because of the commodity's technological, specialized or unique character that only a sole vendor can provide.

Standing Agreement

A purchase agreement or contract used to provide direct access to a pre-determined vendor for the supply of specific goods and/or services, on an as-required basis, for specific periods of time, at prearranged prices and delivery conditions.

Subcontractor

A person, proprietorship, partnership or corporation who contracts with a prime contractor of Yukon Energy to perform all or any part of the prime contractor's obligations in a particular prime contract.

Tender

A document defining the minimum standards or specifications to be met by bidders and the requested terms and conditions of the contract so as to permit the evaluation of bids on the basis of price.

Value-Driven Contract

A contract entered into as the result of a “Request” that uses indicators other than price alone for evaluation.