

## **Procurement Contract**

### **CONTRACT FOR SERVICES NO 1.1-4/2022/71-2**

The Contract for Services has been signed in Tallinn on the 27 th of July 2023 by the following Parties:

**Elering AS**, (hereinafter: the **Contracting Entity**), registry code 11022625, address Kadakatee 42, Tallinn, Estonia, represented by Kalle Kilk, who acts on the basis of statutes

and

**Pipe Care DMCC**, UAE (hereinafter: **the Contractor**), represented on the basis of Memorandum of Associations by Manager Tanja El Chami

(the Contracting Entity and the Contractor will be also referred to as separately the Party or together the Parties).

## **1. OBJECT OF THE CONTRACT**

- 1.1. This contract for services (hereinafter: “Procurement Contract”) is entered into on the basis of the Framework Agreement no. 1.1-4/2022/71 (hereinafter: “Framework Agreement”) awarded by way of the “Services for the cleaning and in-line inspection for time period 2022-2026” (reference number 242142) with open procurement procedure.
- 1.2. The object of the Procurement Contract is to provide a package of services for the cleaning and in-line inspection for Traditionally piggable pipelines (hereinafter: “Services”).
- 1.3. The Contractor performs the Services in accordance with the Framework Agreement and its Annexes and Procurement Contract with its Annexes as listed in clause 4 of the Procurement Contract (Documents of the Contract). The Services are performed in accordance with the Procurement Contract if the Services complies with all requirements rising from the Framework Agreement, Procurement Contract, its Annexes and is in accordance with the valid legislation and norms.
- 1.4. The Parties perform this Contract in accordance with the terms and conditions set out in this Procurement Contract and Framework Agreement (including in the technical specification of the procurement documents and the tender forming annexes to the Framework Agreement as well as in the description of performance of work and the respective tender forming annexes to the public contract). The terms and conditions of this public contract are special terms and conditions and the terms of the Framework Agreement are the general terms and conditions. In the case of any inconsistencies between the Framework Agreement and this Procurement Contract, the terms and conditions of this Procurement Contract shall prevail.

## **2. FEE AND PAYMENT PROCEDURE**

- 2.1. The Contracting Entity is obliged to pay the Contractor for the Services (T1 Vireži – Tallinn) provided in accordance with the Procurement Contract in the amount of forty-nine thousand

euros (49 000,00 €) (hereinafter: “Fee”), excluding VAT. The Fee is consistent throughout the Procurement Contract and does not depend on any kind of increase of expenses.

- 2.2. The procedure for payment for the Services has been provided for in the Framework Agreement.

### **3. TERM OF THE SERVICES**

- 3.1. The Contractor must complete and hand over the Services to the Contracting Entity by the 1<sup>st</sup> of February 2024 at the latest.
- 3.2. The Contractor undertakes to submit the Contracting Entity a preliminary schedule of the Services in two (2) weeks after the conclusion of the contract, so that the Contracting Entity could confirm it. The preliminary schedule of the Services shall include the intent and duration of all services as well as activities necessary for performing the services.
- 3.3. The Contracting Entity shall either confirm the preliminary schedule of the Services or submit its reasoned objections in 5 (five) working days after receiving the detailed schedule of the Services.
- 3.4. The preliminary schedule of the Services can be amended by the agreement of parties.
- 3.5. The Contractor shall start with the Services on the date fixed in the detailed schedule of the Services and complete the individual stages in accordance with the preliminary schedule of the Services confirmed by the Contracting Entity.
- 3.6. The Contractor undertakes to submit the Contracting Entity an overview of keeping to the preliminary schedule of the Services in every 5 (five) days.
- 3.7. The Contracting Entity shall have the right to require the performance of the Services to be terminated or postponed. In case the postponement of the Services lasts for more than 72 hours, the Contractor shall have the right to require a compensation for costs related to the postponement and/or termination from the Contracting Entity. The deadlines for completing the Services shall be postponed by the period during which the performance of these Services was terminated or postponed by request of the Contracting Entity.

### **4. DOCUMENTS OF THE PROCUREMENT CONTRACT**

- 4.1. The rights and obligations of the Parties are designated in the Framework Agreement, Procurement Contract and its Annexes which are integral part of the Contract.
- 4.2. Annexes to the Procurement Contract:
  - 4.2.1. Annex 1 – Description of the Services to be performed
- 4.3. In case of contradiction between the Procurement Contract and the contractual documents listed in clause 4.2, the Parties will be guided by the Procurement Contract.
- 4.4. Terms of the Procurement Contract will apply to all other agreements made by the Parties unless the Parties agree on otherwise.

The Contracting Entity

The Contractor

Kalle Kilk

Tanja El Chami

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## HINNA TABEL

Open Procedure procurement nr 242142

“Services for the cleaning and in-line inspection for time period 2022-2026” Part 1

**Part 1:** Traditionally piggable pipelines

Pakkuja (ühispakkujate) nimi:

Tenderer name: Pipe Care DMCC (for LINSCAN ADVANCED PIPE LINES & TANKS SERVICES)

Jrk nr	Teenused ja materjalid/Services and Materials	Ühik/Unit	Ühikhind EUR (ilma KM-ta) Price EUR (VAT not included)	Kogus/Quantity	Hind kokku EUR (ilma KM-ta)/ Total Price (EUR), excl VAT
1	<b>Part 1: Traditionally piggable pipelines</b>				245,000.00
	<b>Project name</b>				
1.1	28" T10 Kiili - Paldiski	set price	94000	1	94,000.00
1.2	20" T1 Vireži - Tallinn	set price	49000	1	49,000.00
1.3	20" T4 Tallinn - Jõhvin part 1 Haljala - Jõhvi	set price	49000	1	49,000.00
1.4	28" T4 Tallinn - Jõhvin part 2 Haljala - Tallinn	set price	53000	1	53,000.00
	<b>Kõik kokku EUR ilma KM-ta/ Total Price (EUR), excl VAT</b>				<b>245,000.00</b>

Vormil on kohustuslik täita kollasega märgitud väljad. Vormil ei ole lubatud teha sisulisi muudatusi. It is obligatory to fulfill the fields marked with yellow. It is not allowed to make material changes in this form. Maksumus esitada eurodes ilma käibemaksuta. Submit the price without VAT.

Volitatud esindaja (pakkumust alla kirjutama) nimi ja allkiri \_\_\_\_\_

Authorized representative name and signature

Katsiaryana Maretskaya  
Business Development Manager

## Client Specifications to POF 2016

### 2.4.2 Dent

Dent strain assessment based on the guidance within ASME B31.8-2016 shall be incorporated in the evaluation and reporting.

### 2.4.4 Ovality

Maximum measured ovality shall be reported.

### 2.4.2 Ripple/Wrinkle

The maximum values shall be reported. Strain assessment based on the guidance within ASME B31.8-2016 shall be used.

### 2.4.8 Crack and crack-like

The Contractor shall provide the tool performance specifications in accordance to section 4.4 and table A5-4 with special emphasis on:

- The POD at 90% as a function of the anomaly dimensions.
- Details on the basis of the performance shall be clearly presented with regards to artificial and/or natural features.

### 2.6.1 Interaction rules

Corrosion features in terms of their axial and depth dimensions shall be assessed according to Modified B31G (0.85dL) as an initial screening assessment (ERF values). Following the initial screening any corrosion feature found to exceed tolerable dimensions shall then be assessed according to Detailed RSTRENG.

Milling, longitudinal weld, spiral weld and girth weld features reported with associated metal loss in terms of their axial length and depth dimensions shall be assessed using the Shannon assessment method. This provides a more accurate estimation of the failure stress of metal loss defects in ductile line pipe material.

Metal loss features in terms of their circumferential length and depth dimensions shall be assessed using the Kastner method. The maximum axial stress due to pressure used in this assessment shall be as 0.5 x hoop stress, i.e. it is based on the conservative assumption that the pipeline is unrestrained.

Interaction rules and clustering requirements for all the above metal loss features shall be according to ASME B31G.

### 2.7 Resolution of measurement parameters

SI units shall be used.

### 3.1 ATEX

ATEX certification according to 3.1 is required. The contractor shall ensure safe operation of ILI equipment under explosive conditions for pressures  $> .11$  MPa during receiving and launching of tools.

Health and Safety requirements will be reviewed and Health and agreed between Client and Contractor before starting activities: from the Client side all electronic devices are EX-proof and PPE in the form of gas analysers is intended. Also please outline the main points from "full ATEX" that are considered as to stringent.

### 4.3 Tool class history

- Technology readiness of tool class hardware for operating conditions using the following grades:
  1. Newly designed component with limited testing.
  2. Limited field operation (  $< 20$  runs or  $< 500$  km distance).
  3. Multiple uses with clear history of components and subsequent changes.
    - Provide a unique tool reference number and applicable data sheet.

Design changes to tool components or modules that may affect level of readiness shall be clearly communicated to Client both at time of placing order and for any subsequent change made by Contractor.

#### 4.4.1 General (Tool performance specification)

POD90/95 shall be used.

## 7. Reporting

The following reports (described in POF 2016) shall be submitted:

- Operations report (2d)
- Preliminary report (4w)
- Raw data report
- Multiple run comparison report
- Experience report
- Final report (8w)

### 7.4 Raw data report

Processed raw data shall be provided.

From Appendix 4.

The use of speed control on intelligent tools e.g. geometry and MFL shall be decided after cleaning and geometry stages by the Contracting Entity. The Tenderer shall take into account the possibility of speed control use while submitting the Tender.

### **Time schedule**

The time window for the field activities – cleaning, IMU, geometry, MFL (axial & transverse) is **01 Nov 2023 to 15 Nov 2023**.

Reporting can be done according to point 7 of this document – from 2 days to 8 weeks after the final run and dependant of the report type with the deadline of 01 February 2024.

In-field verification assistance shall be available from the end of pigging until the delivery of the final report.

The tenderer shall submit the "Time schedule for field works" for Stage 1 services the following table in the Tender:

<b>Stage 1 (fixed period 01.11.2023 – 15.11.2023)</b>
<b>Service name</b>
Cleaning
IMU
Geometry
MFL (axial & transverse)
<b>Stage 2 (after the completion of Stage 1 activities with the deadline 01.02.2024)</b>
<b>Service name</b>
In-field verifications
Reports (acc. to POF 2016 and Client Specifications to POF 2016)