

Caterpillar firm plans to be more aggressive

BY ALLISON BUTTERS

THE Machinery Corporation of Guyana Limited (MACORP), which lost a recent bid to supply additional power to the GEC, using its renowned Caterpillar sets, plans to compete "more aggressively" on the local scene in the future.

MACORP General Manager, Mr Jairo Piedrahita at a press conference yesterday at the company's Providence, East Bank Demerara office, acknowledged the Government's choice of the Finnish company, Wartsila Diesel to provide 22MW sets to be installed at the GEC Kingston power station.

He said Caterpillar engines can operate at lower speeds (750 RPM) but the quotation of 1000 RPM was used in its bid because officials were thinking of the GEC's planned conversion from 50Hz to 60Hz.

Flanked by Finance Manager, Mr Bertrand Dhurjon, Piedrahita said: "We (MACORP/Caterpillar) participated in a 22MW bid. We lost the bid."

He explained that the firm's last proposal for the GEC (Guyana Electricity Corporation) project was late - May 3, 1996.

And although Caterpillar's engines can work at 750 RPMs/50Hz, the firm quoted a speed of 1000 RPMs, he said.

"We will be there more aggressively in the future," Piedrahita declared.

Following the announcement of the Wartsila choice, Prime Minister Sam Hinds responded to charges in some quarters about the evaluation and selection process.

In a statement Saturday, he

dismissed speculation of possible misuse of public funds and political misconduct and said there was "no basis for imagining any form of corruption."

Hinds explained the criteria used, from the first advertisement for tenders in 1993, and outlined certain features of the Finnish generating sets, scheduled to be fully operational by year-end.

According to the Prime Minister, among the factors considered was the offer for financing that the bidder was able to commit to at the time of the evaluation.

The factors used in ranking the proposals for technical merit were: type of equipment; number of units proposed; fuel and lube oil consumption; operation and maintenance proposals, including the costs per KW hour and the proposed contractor and delivery dates.

Other factors studied included down payments, financial terms offered and the total cost per KW hour averaged over the life of the installation.

At the end of the process MACORP was rated second.

Piedrahita yesterday said Caterpillar's product is of superior standards, when the company is proud of and added that its track record in Guyana to date is good.

He declined to talk about prices contained in his company's proposal.

However, in his statement, Hinds had said the offers of free rental and the gift of a number of sets would have in effect raised the MACORP price from US\$19M to US\$17M, just below the Wartsila price of US\$17.6M.

Hinds, however, pointed out that the Caterpillar sets run at 1000 RPM, much higher than the 750 RPM of the Wartsila sets selected, and still higher than the Wartsila sets at 900 RPM priced at US\$14.2M.