

Sample Request for Proposals  
for Large Scale Power Projects

Volume II  
Response Package

**[DATE]**

## SAMPLE REQUEST FOR PROPOSALS FOR LARGE SCALE POWER PROJECTS

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This document, consisting of four Volumes, along with their Annexes, Schedules, and Exhibits, shall be referred to as the “[*date*] Request for Proposals Document” or “RFP”.

### Contents of RFP

Volume I	—	Instructions to Bidders
Volume II	—	Response Package
Volume III	—	Draft Power Purchase Agreement
Volume IV	—	Draft Implementation Agreement
Volume V	—	Draft Fuel Supply Agreement

### Abbreviations

EIA	Environmental Impact Assessment
EPC	Engineering, Procurement, and Construction
Govt	Government of [COUNTRY]
KWh	Kilowatt-hour
HFO	Heavy fuel oil
IPP	Independent Power Producer
kJ	Kilo-Joule
kVA	Kilovolt-ampere
ME	Ministry of Energy
MW	Megawatt
O&M	Operations and Maintenance
PPA	Power Purchase Agreement
RFP	Request for Proposals
SCC	System Control Centre
USD	United States Dollar

**SAMPLE REQUEST FOR PROPOSALS FOR LARGE SCALE POWER PROJECTS  
VOLUME II — RESPONSE PACKAGE**

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**MODEL REQUEST FOR PROPOSALS FOR LARGE SCALE POWER PROJECTS  
VOLUME II — RESPONSE PACKAGE**

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**LIST OF ANNEXES AND SCHEDULES**

- Schedule 1     Project Summary
- Schedule 2     Project Capacity, Heat Rate, and Fuel Characteristics
- Schedule 3     Operating Performance
- Schedule 4     Site and Environmental Permitting
- Schedule 5     Air Emissions
- Schedule 6     Network Resource Data, Forms I and II
- Schedule 7     Project Milestones
- Schedule 8:     Project Pricing; Sheets A, B, and C
- Schedule 9:     Contract Buy-Out
- Schedule 10:    Project Pro Formas

# SAMPLE REQUEST FOR PROPOSALS FOR LARGE SCALE POWER PROJECTS VOLUME II — RESPONSE PACKAGE

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## 1. RESPONSE FORMAT

### 1.1 General Instructions

Volume II is the Response Package of the Request for Proposals (RFP) for Large Scale Power Projects. It contains the instructions for preparing the Technical Proposal and Financial Proposal, including the information Bidders are required to submit and the organisational structure and contents of the submissions. Prior to developing their proposals, Bidders are requested to carefully read the instructions in this Volume.

Proposals submitted in response to this RFP must conform to the structure and formats described herein. Bidders are required to use the Schedules, Forms, and Sheets provided. These have been designed to facilitate the evaluation of the Proposals in an expedient manner. Where information requested in the Schedules is not applicable to the Proposal, Bidders should so indicate. Failure to use the Schedules, Forms, and Sheets provided may be grounds for disqualification.

Proposals must be printed, single-spaced, on A4 paper with each page numbered. Proposals must also be submitted electronically with text portions in Adobe Portable Document Format (pdf) or Microsoft Word (version 2000 or earlier) and Schedules in Microsoft Excel (version 2000 or earlier). Preprinted materials such as maps, annual reports, etc., need not be submitted in electronic format, but must appear in each paper copy.

A detailed description of the proposal submission procedure is contained at Paragraph [ • ] of Volume I of this RFP. *[Note: This draft applies to thermal plant. Hydro plant project development normally follows a full feasibility study that sets out the key information.]*

### 1.2 Organisation and Contents of Bidders' Proposals

#### 1.2.1 Overview

Bidders' proposals must be organised, numbered and identified, and have the requested information in the sequence presented below. Additional subsections may be defined if they will help present and identify important material.

If a requested item is not known, not applicable, or has been estimated, so state in that section of the Proposal. If a particular chapter, section, or question is not relevant to a Bidder's Proposal, the Bidder should include the chapter, section, or question and indicate why it is not relevant. Where *[Procuring Entity]* has included a Schedule to be completed by the Bidder, the Schedule must be completed or the Bidder should indicate why the Schedule is not relevant. All supporting documentation must be supplied in the format requested. Where instructed, the Bidder's project name and applicable Proposal chapter, section, and page number should appear on each attachment.

Additional material may be presented beyond that requested only if it is necessary for clarification of the Bidders Proposal. Elaborate Proposals, lengthy discussions, and non-critical attachments

are discouraged. Relevant documents may be cited, but copies are not expected to be included as part of the Proposal unless specifically requested.

1.2.2 Proposal Contents

The Table of Contents outlined below illustrates how Bidders must organise their Proposals. Further details are provided in the remaining Chapters of this Volume.

**Technical Proposal** *(bound separately from Financial Proposal):*

**[Note: This is appropriate primarily for thermal plant.]**

- Cover and Title Page
- Executive Summary
- Chapter 1: Project Description
- Chapter 2: Acceptance of Terms and Conditions
- Chapter 3: Operating Performance
- Chapter 4: Site and Environmental Permitting Plans.
- Chapter 5: Engineering and Design Plans
- Chapter 6: Site Control
- Chapter 7: Interconnection Plan
- Chapter 8: Fuel Supply and Transportation Plan
- Chapter 9: Commercial Operation Date Certainty
- Chapter 10: Bidder Experience

**Financial Proposal** *(bound separately from Technical Proposal):*

- Cover and Title Page
- Chapter 11 Proposal Pricing
- Chapter 12 Project Financing Plan

1.2.3 Proposal Schedules

This Response Package is organised around a series of Schedules as indicated in the table below. The Bidder is required to provide both paper and electronic copies of the Schedules. Where inconsistencies are found between paper and electronic copies the paper version shall govern.

	<u>Schedule No.</u>	<u>Schedule Name</u>
<b>Technical Proposal</b> <i>(bound separately from Financial Proposal)</i>		
	Schedule 1	Project Summary
	Schedule 2	Project Capacity, Heat Rate & Fuel Characteristics
	Schedule 3	Operating Performance
	Schedule 4	Site and Environmental Permitting
	Schedule 5	Air Emissions
	Schedule 6	Network Resource Data; Forms I and II
	Schedule 7	Project Milestones
<b>Financial Proposal</b> <i>(bound separately from Technical Proposal)</i>		
	Schedule 8	Project Pricing; Sheets A, B, and C
	Schedule 9	Contract Buy-out
	Schedule 10	Project Pro Formas

## 2. TECHNICAL PROPOSAL

### 2.1 Cover and Title Page

The Technical Proposal cover should state the name of the project, Bidder's company name, date of the Proposal, the person responsible for Proposal preparation, and all cosponsors currently participating in the project. The words, "Technical Proposal" should appear prominently on the page and "Original" or "Copy No. \_\_\_\_" should be indicated, as appropriate.

### 2.2 Executive Summary

The Bidder is required to provide a brief (no more than five pages) overall summary of its proposal, excluding pricing or financial details. The summary should include, at a minimum, a brief overview of the technology and equipment proposed, amount of capacity offered, power delivery period, project location, interconnection (delivery) point to the [Procuring Entity] grid / network, fuel supply arrangements, experience with key project elements, permitting schedule, and conformance with the terms and conditions outlined in this Volume II.

### 2.3 Chapter 1: Project Description

Chapter 1 of the Bidder's Proposal should describe the project in greater detail. Describe the project's features and any development work completed to date. Include the following types of information in a text discussion (the list below is indicative, not exhaustive):

- Facilities location. Provide a map showing the location and arrangement of the key facilities at the Project site.
- Project size, in area and in terms of power generation capability (MW). [If the project can be expanded in future, please describe the potential.]
- General description, size, number, heat rate for thermal generation and manufacturer of generating units that will be used.
- Proposed interconnection point with the [Procuring Entity] grid and any new network facilities that will be required.
- Schedule for permitting, construction, and expected date of commercial operation.

***[Note: Some of these items may be pre-defined in the RFP, such as location interconnection point, size etc.]***

Chapter 1 must contain a completed Project Summary. Bidders are advised to complete the Project Summary after they have completed all parts of the Proposal; data must be consistent with the details in the Proposal. In addition to submitting the Excel spreadsheet version of the Project Summary, the Bidder must include a hard copy of the Project Summary in Chapter 1 of its Proposal. The information in the Project Summary will be treated as non-confidential and non-proprietary and may be released to the public.

### 2.4 Chapter 2: Acceptance of Terms and Conditions

Bidders willing to accept the terms and conditions given in the Model PPA without comments or should indicate this in Chapter 2 of the Proposal. Bidders with exceptions to the terms and conditions should indicate all comments or exceptions in list form. Each exception should be

clearly described, any requested change clearly identified and justified, and the associated paragraph and page number from the PPA.

## **2.5 Chapter 3: Operating Performance**

### 2.5.1 General

In this chapter of their Proposals, Bidders must demonstrate how their proposals comply with all of the operating performance thresholds, and the degree to which they are consistent with the *[Procuring Entity's]* preferences for the operational quality evaluation criteria outlined in Paragraph 4.3 of the RFP. In Table [●] of Volume I, *[Procuring Entity]* has provided a list of Threshold Requirements which will be used to screen the Bidder's Proposals. In addition to a short, text discussion, Bidders are required to complete and answer the questions presented in Schedule [●] and to provide all necessary data to support the assertions made.

### 2.5.2 Project Capacity, Heat Rate, and Fuel Characteristics

Capacity must be specified at net generation levels delivered to the Delivery Point. Bidders must complete the Dispatchable Generation Capacity Table shown in Schedule [●].

Generators shall be capable of operating at a Net Dependable Capacity (the capacity of the Project demonstrated through performance tests on commissioning) of [0.80] lagging Power Factor.

Each Bidder must specify the proposed project's full load lower calorific value (LCV). The calorific value must be provided by specifying the seasonal net full load guaranteed heat rates. Calorific value must be expressed in terms of the lower heating value of the fuel.

### 2.5.3 Operating Performance

[The Bidder must provide full details of operating performance [that apply to the type of proposal being offered by entering an "X" in the appropriate "Yes" or "No" box for each item, or by filling in the blanks where asked.]

The Bidder must propose an applicable availability target.

## **2.6 Chapter 4: Site and Environmental Permitting Plans**

In Chapter 4, each Bidder should demonstrate how its Proposal complies with all of the permitting and siting thresholds and minimum evaluation requirements and the degree to which the Proposal is consistent with *[the Procuring Entity's]* requirement for a high level of certainty that the proposed project will receive its required permits within the time indicated on the project's critical path schedule. Each Bidder is required to address the questions and items presented below in correspondingly numbered sections of its Proposal and to provide all necessary supporting data. For sections that require responses to several bullet items, the Bidder must always precede each response with the relevant bullet item, verbatim.

### Section 4.0 – Permits and Approvals Scheduling

Bidders must identify which consents, permits, clearances and approvals would be required or not required for the project to be constructed and operated. If a permit has already been applied for,



indicate the date that the permit was applied for in the column marked “Applied For” and the date that the permit is likely to be issued in the column labelled “Expected Receipt”.

In this Section of their Proposals, Bidders are required to provide, and discuss a critical path schedule for each of the required consents, permits and clearances applicable to their projects. Bidders should indicate why their project is likely to receive each required permit, license, or approval.

#### Section 4.1 – Zoning and Rights of Way

[In this Section, Bidders must provide specific information for the project site as identified below.

- On maps, drawings, and other attachments:
  - List any new rights-of-way required for the project for fuel pipelines, roadways, or electric transmission lines.
  - Identify the total area of wetlands or other special environmental zones on the proposed site or rights-of-way before and after construction and the area disturbed, lost, or converted during construction.
  - Show all portions of the proposed site or rights-of-way.
- Provide evidence that the existing zoning for the site is compatible with the proposed use and, if not, provide a plan of action that the Bidder shall adopt for changing the zoning.
- Provide evidence that environmental compliance is feasible and requisite environmental permits are likely to be obtained in a timely manner. If the proposed site or rights of way are contaminated, indicate the clean-up measures planned, their estimated costs, schedules for completion, and status of reviews by appropriate governmental agencies.
- Identify any environmentally sensitive areas (e.g., wetlands, state lands (including submerged lands), coastal zones, wildlife parks, public parks, critical habitats for endangered species, etc.) within a 2-km radius of the proposed plant location and any mitigation measures for these areas.
- Identify any sites of historical or archaeological significance within a 2-km radius of the proposed plant location and any mitigation measures for these areas.]

***[This may not be necessary for pre-selected sites]***

#### Section 4.2 – Land Use

In this Section, Bidders shall describe the current and recent past land use and development of the site and adjacent lands, discussing the compatibility of the project with adjacent and nearby land uses.

#### Section 4.3 – Solid Waste Disposal

In this Section, Bidders must provide a waste disposal plan for the proposed project which identifies the solid (including ash) or hazardous wastes that would be generated by the project and identifies how they would be disposed of.

#### Section 4.4 – Water Sources and Uses

In this Section, Bidders should indicate the quantity and source of cooling, injection, steam make-up, and general use water that would be needed for the project. This information should include

the characteristics of the water to be used, necessary treatment processes, and a discussion of competing uses for the water.

#### Section 4.5 – Wastewater Disposal

In this Section, Bidders must provide the following information concerning the wastewater generated by the project:

- The sources, composition, and expected quantity of wastewater to be generated by the project; the disposal method to be employed, including any waste treatment methods; and the water composition after treatment.
- The classification of any surface waters, groundwater, or water conveyance to which wastewater effluent is discharged and the name of any surface water body or aquifer.

#### Section 4.6 – Hydrologic Alterations

In this Section, Bidders shall describe any hydrologic alterations, (e.g., dredging, filling, diking, outfall structure, or impoundment) of any surface waters that would be required by the project, identifying the affected resource, significance of the alteration, and mitigation measures proposed.

#### Section 4.7 – Air Quality Impacts

In this Section, Bidders must provide the specific information requested below regarding the impact of the project on the air quality of the surrounding area. In the absence of specific air quality norms for [COUNTRY], Bidders may wish to consider European norms, particularly for emissions of SO<sub>2</sub>.

- Indicate the removal efficiency of any pollution control equipment that would be employed for oxides of Nitrogen (NO<sub>x</sub>), oxides of Sulphur (SO<sub>x</sub>), Particulate matter (PM), Carbon monoxide (CO), Carbon dioxide (CO<sub>2</sub>), Mercury (Hg), or other hazardous air pollutants (HAPs).
- Complete Schedule 5—Air Emissions, for both the primary and secondary fuel types.
- Address levels of ammonia (NH<sub>4</sub>) emissions and requirements for handling/storage, if used.

#### Section 4.8 – Noise Levels

In this Section, Bidders shall indicate the expected incremental ambient noise level at the nearest property boundary during the daytime and night time hours that would result from the operation of the project, and any planned noise mitigation measures. On a diagram labelled Exhibit 4.8, if helpful, indicate the distance from the project to the nearest neighbour or residence. Define the expected daytime and night time ambient noise levels at the nearest neighbour or residence, taking into account existing norms in Mauritius.

## **2.7 Chapter 5: Engineering and Design Plans**

In this chapter, the Bidder should demonstrate how its proposal complies with all of the engineering and design thresholds. The Bidder is required to provide the information requested below and all data necessary to support the assertions made.

#### Section 5.0 – O&M Plan

In this Section, Bidders are to provide an operations and maintenance plan (O&M Plan) which demonstrates that the project will be operated and maintained in a manner to allow the project to satisfy its contractual commitments. This O&M Plan should indicate proposed project staffing levels, the schedule for major maintenance activities, plans for inspecting and testing of major equipment, entities responsible for operating and maintaining the project, and status and schedule for securing a maintenance agreement.

If an O&M contractor or other entity will be responsible for operating and maintaining the Project, details of the contractor's qualifications, experience, and performance record must be provided in this Section. The commitment of the O&M contractor to the Project must be demonstrated.

#### Section 5.1 – Engineering Plan

In this Section, Bidders are to provide an engineering plan which identifies the following:

- generation technology, including the make, model, and suppliers' names;
- emission control equipment (if applicable), including the make, model, and suppliers' names;
- major equipment to be employed, including the make, model, and suppliers' names;
- manufacturers' warranties in the case of new equipment and components and inspection/soundness certificates for refurbished equipment and components; and
- major equipment vendors.

#### Section 5.2 – Operating Performance References

Through this RFP, *[the Procuring Entity]* is soliciting proposals for proven technologies only. Bidders must, therefore, provide evidence of similar or equivalent technology currently in service in Cambodia or elsewhere. In this Section, Bidders are to provide historic operating performance data for projects of similar technology which demonstrate that the proposed technology will be able to achieve the operating targets specified.

#### Section 5.3 – Heat and Material Balance

In this Section, Bidders are to provide a heat and material balance diagram.

#### Section 5.4 – Project Layout

In this Section, Bidders are to provide a plan drawing showing the layout of the proposed project.

#### Section 5.5 – Unit and Plant Performance

In this Section, Bidders are to provide the following projected unit performance information, including values for all parameters:

- (i) Forced Outage Rate
- (ii) Expected availability

The Bidders are to provide the following committed plant performance, as target availabilities.

## 2.8 Chapter 6: Site Control

In this chapter, the Bidder should demonstrate how its proposal complies with the site control thresholds. Bidders are required to provide the information requested below and all necessary data to support the assertions made.

### Section 6.0 – Site Location

In this Section, Bidders are to provide a map, at 1:25,000 scale, that indicates the project site location, identifies the location of all generation, substation, and other equipment, and all new rights of way that would be required for the project. Show the proximity to and identify the nearest of the approved [the Procuring Entity] substations (identified in Section 6.9 below) for interconnection purposes (Interconnection Point). Critical dimensions should be indicated.

### Section 6.1 – Rights to Site

In this Section, Bidders are to demonstrate their control of the site, either in the form of an agreement giving ownership of the site, lease of the site for the term of the proposal, or at a minimum, an executed letter of intent to negotiate a lease for, or to purchase, the site for the full contract term or term necessary for financing (whichever is greater). Provide a copy of a contract or letter of intent that demonstrates the Bidder's rights to, or ability to obtain the rights to, the Site. If the property is fee owned, a copy of the Title and Legal Description of the property is required.

***[Note: If the project in the RFP proposes a pre-selected location or connection this will not be necessary.]***

### Section 6.2 – Rights of Way

If off-site rights of way are required, Bidders are to demonstrate in this Section site control either in the form of an executed letter of intent to negotiate a lease for the rights of way for the full contract term or term necessary for financing (whichever is greater) or to purchase the rights-of-way.

## 2.9 Chapter 7: Interconnection Plan

In this chapter, the Bidder should demonstrate how its Proposal complies with the transmission threshold requirements set out in the procurement documents. Bidders should take note of the following information and are required to provide the items requested below and all necessary data to support any assertions made.

Bidders shall be responsible for the interconnection facilities; i.e., all lands, servitudes, materials, equipment, and facilities installed for the purpose of interconnecting the Bidder's Facility to the [the Procuring Entity] grid to permit the transfer of electric energy and capacity, including but not limited to connections, transformation, switching, metering, relaying, communications equipment, safety equipment, and any necessary addition and reinforcement to [the Procuring Entity's] system required for safety or system security as a result of the interconnection between the Bidder's Facility and [Procuring Entity's] system.

[The Procuring Entity] shall accept deliveries of electricity to its grid at [insert location] (Interconnection Point), which is shown on Drawing No. [ ]:

Bidders are informed that title to, possession of, and risk of loss of energy delivered shall transfer from the Bidder to [the Procuring Entity] at the Interconnection Point. Electrical equipment, metering, and interconnection facilities must be selected, installed, and maintained in accordance with Good Utility Practices and must comply with [the Procuring Entity]'s requirements for the interconnection of generation resources. Bidders' attention is drawn to Drawing no [ ], which illustrate [the Procuring Entity's] standardised equipment.

All electrical equipment shown on the single line diagram of Drawing No. [ ] from the interconnection point of the last terminal poles before [the Procuring Entity]'s substation up to the [xx] kV Bus-Bar shall be installed by [the Procuring Entity] and the costs shared equally between [the Procuring Entity] and the Bidder. This equipment shall remain the sole property of [the Procuring Entity] and [the Procuring Entity] shall be solely responsible for maintenance, repair, and efficient operation of this equipment.

#### Section 7.0 – Transmission / Network Plan

Bidders are to provide a transmission / distribution network plan that identifies their project's proposed transmission or network path, including Interconnection Point. The location at which energy is delivered to the Board shall have an impact on the total system losses. [the Procuring Entity's] detailed overall evaluation described in Volume I of the RFP will assess this impact on the [the Procuring Entity's] total system cost. Bidders shall further provide:

- a drawing showing the type of transmission / distribution network line to be erected, if necessary;
- a list of major equipment (transformers, circuit breakers, disconnectors, etc.) including make, model, and suppliers' names; and
- an outline of the proposed protection and metering to be adopted including make, model, and suppliers' names, and an electrical drawing.

***[Note: This may not be necessary if a pre-selected site is chosen and system studies have been carried out.]***

#### Section 7.1 – Network Resource and System Impact

Bidders are required to provide full network resource data, [Form could be developed.] This information is required before the [Procuring Entity] can perform the interconnection study. Where specific values are not known with certainty, Bidders should indicate approximate values and state that these values are approximate.

### **2.10 Chapter 8: Fuel Supply and Transportation Plan**

In this chapter of the proposal, the Bidder should demonstrate how its proposal complies with the fuel supply and transportation plan threshold. Bidders are required to provide a preliminary fuel supply plan and all necessary data to support the assertions made regarding this plan.

#### Section 8.0 – Fuel Supply Plan

Bidders are required to provide a preliminary fuel supply plan for both primary and secondary fuels and must specify or provide, as requested, the information listed below.

- Provide a map of the fuel supply and transportation infrastructure for the proposed project and a description of supply and transportation alternatives available to the project.
- Provide details of storage facilities.
- Provide copies of all fuel supply and transportation agreements in place for the proposed project. If fuel supply and transportation contracts are not in place, provide a description of the types and quality of service for fuel supply and transportation sought. If the Bidder has received proposals from fuel and transportation providers, the Bidder should include the preferred proposal as well as a description of the experience of the Bidder in developing similar supply arrangements.

***[Note: Bidders could be directed to the model Fuel Supply Agreement.]***

- Specify the criteria that would be used to select the ultimate fuel supplier and transportation service providers. Bidders should ensure that fuel purchasing mechanisms are as economic as possible and do not pass through all the costs, regardless of their amount.
- If a secondary fuel is to be used, provide supporting information for the periods over which the primary and secondary fuel supplies are expected to be used.
- Indicate whether transportation would be provided from existing transportation corridors or whether new construction would be required. If new construction is required, provide an assessment of the availability of property and/or rights of way.

## **2.11 Chapter 9: Commercial Operation Date Certainty**

In Chapter 9, the Bidder is required to demonstrate that its Proposal will be able to achieve the *[insert date]* Commercial Operation Date requirement. As part of this demonstration, the Bidder is required to provide a critical path diagram and schedule for the project that conforms to the requirements specified below. For the purposes of developing this schedule only, the Bidder should assume that contract negotiations are finalised by *[insert date]*. The specification of this date should not, however, be construed as a commitment by *[the Procuring Entity]* to finalise contract negotiations by this date.

*[The Procuring Entity]* will evaluate the reasonableness of the following aspects of the Bidder's proposed schedule: permitting, securing the project site, fuel supply and transportation arrangements, engineering design, equipment procurement, project financing, project construction, and start-up and testing. *[The Procuring Entity]*'s evaluation will consider the evidence presented by the Bidder that the proposed schedule for each of these project elements is reasonable.

### Section 9.0 – Project Development Schedule

Bidders are required to provide a critical path diagram and schedule for the project that specifies the critical path for each of the elements of the project development cycle including, but not limited to, the following: permitting, securing the project site, fuel supply and transportation arrangements, engineering design, equipment procurement, project construction, Unit/Facility start-up and testing, and construction-period and permanent financing.

### Section 9.1 – Project Milestones

Bidders are required to complete Schedule 7 – Project Milestones, which will be included as part of an executed contract.

## 2.12 Chapter 10: Bidder Experience

In Chapter 10, the Bidder is required to provide evidence regarding its relevant experience in developing, designing, constructing, financing, operating and maintaining projects that are of an equivalent size and technology. *[The Procuring Entity]* will evaluate each Bidder's relevant experience in six areas:

- Permitting;
- Engineering;
- Financing;
- Fuel procurement;
- Project construction; and
- Operations and maintenance, including environmental compliance.

For proposals that rely on a project team composed of more than one firm to develop the project, the Bidder should indicate any relevant experience in working with other team members to develop projects.

### Section 10.0 – Project References

Bidders are required to provide, for at least three comparable projects, references not affiliated with the Bidder. For each reference, specify a contact name, title, address, phone number, and e-mail address (if available.) For each referenced project, indicate the utility, electricity market, or system served and provide a description of the project, including project location, the size and type of project, the scheduled and actual in-service date, and the availability factor achieved.

### Section 10.1 – Project Participant Experience

For each of the project participants, including the construction (EPC) contractor and the O&M contractor or power plant operator(s) in the project team provide an experience statement which lists the relevant experience of the firm, including other projects of a similar type, size, and technology. Describe the experience in terms of the six areas noted above.

### Section 10.2 – Project Contractual Relationships

Bidders are required to provide documentation regarding the contractual relationship between the Bidder and all additional project participants and vendors. If this contractual relationship has not been finalised, specify the schedule for doing so as well as the type of relationship.

### Section 10.3 – Failure to Perform

Indicate if the Bidder has failed to perform under any contracts or agreements for power supplies or provision of services. If so, please explain. Failure to disclose will disqualify the Proposal and be grounds for *[Procuring Entity]* to execute the Proposal Security.

### Section 10.4 – Litigation History

Bidders are required to provide a 10-year summary of litigation activity related to:

- (1) Provision of energy products and services (fuel, power, ancillary services, engineering, on-site services);

- (2) Purchases of energy products and services (fuel, power, ancillary services, engineering, on-site services); or
- (3) Lease option arrangements for assets;
- (4) Industrial construction projects (power plants, industrial plants, cogeneration facilities, etc.)

Failure to disclose any such litigation activity will disqualify the Proposal and be grounds for *[the Procuring Entity]* to execute the Proposal Security.

### **3. FINANCIAL PROPOSAL**

#### **3.1 Cover and Title Page**

The Financial Proposal cover should state the name of the project, Bidder's company name, date of the Proposal, the person responsible for Proposal preparation, and all cosponsors currently participating in the project. The words, "Financial Proposal" should appear prominently on the page and "Original" or "Copy No. \_\_\_\_" should be indicated, as appropriate.

#### **3.2 Chapter 11: Proposal Pricing**

##### Section 11.1 – Introduction

Bidders are required to complete all the applicable pricing Schedules to this Response Package and to provide a complete description of the components of the charges and prices. Bidders should note that price proposals are not subject to negotiation unless initiated by *[the Procuring Entity]*. Bidders should also note that contract Year One is a partial year. Therefore, a 10-year contract will cover the time period beginning on the Commercial Operation Date of the start year and ending on December 31 of the tenth year.

##### Section 11.2 – Price Schedules

Bidders must complete Schedule 8 – Project Pricing, ensuring that the pricing components of their proposals give adequate attention to the parameters described in [ • ] of RFP Volume I.

All costs to be paid by the *[Procuring Entity]* must be reflected in the proposed pricing. *[Procuring Entity]* will not accept any charges other than those identified in Schedule [ • ]. This Schedule consists of three sheets, named "Sheets A, B and C," and contain cells in which Bidders must enter the proposed term for their bid and the associated pricing data.

In addition to completing the Schedule Sheets, Bidders should include back-up sheets which clearly describe their pricing proposals in terms of the pricing components, the indices used to adjust the prices, and the frequency of change in the indices for payment purposes.

Bidders must specify the pricing for their proposals in terms of the following components and units, to the degree that each component is relevant to the particular bid:



Component	Units
Fixed Payment (Capacity)	
Generation Capital Charge	USD/kW-Yr
Transmission Charge	USD/kW-Yr
Fixed O&M Charge	USD/kW-Yr
Firm Fuel Transportation Charge	USD/kW-Yr
Fixed Payment (Unit Start)	USD/unit start
Variable Payment (Energy)	
Fuel Price	USD/[tonne]
Variable O&M Price	USD/MWh

#### a. Initial Prices

In the Initial Price Data section of Schedule [ • ] (Sheet A), the Bidder must provide initial prices for each of the pricing components. Bidders' prices must reflect a [insert date] base date. If desired, the Bidder may propose to use only one fuel for all months throughout the year and not specify a secondary fuel. The Bidder should identify in the Initial Price Data section the months in which the primary and secondary fuels will be expected to be used by entering a "P" for primary or an "S" for secondary next to each month. These entries will be used for evaluation purposes; payment under the PPA would be based on actual fuel usage.

The Bidder should be certain to enter the initial prices on Schedule [ ] (Sheet A) in terms of the units specified in the Schedule. For example, the fuel prices must be specified in terms of U.S. dollars per tonne. The Bidder should enter only one initial annual price for each of the O&M components. Furthermore, for the fixed O&M component, the Bidder must specify an annual initial price, even though the start year for the Proposal may not include all twelve months of the calendar year.

The final entries in the Initial Price Data section are the Unit Start price (which represents the price per successful start of a unit requested by [Procuring Entity] following a period of time where [Procuring Entity] has indicated the unit would not be dispatched and has agreed to a unit shutdown), the Term of the Proposal (which represents the number of years under which capacity and associated energy will be provided to [Procuring Entity] by the Bidder), the Contract Start Month, and the Contract Start Year. The Term of the Proposal will be [xx] years as shown in the PPA. The Contract Start Year shall be not later than [ • ].

#### b. Price Escalation

In addition to providing initial prices for each of the pricing components, the Bidder must specify, in the Escalation Indices section of Schedule [ • ] (Sheet A), the escalation indices to be used for each component for evaluation and/or payment purposes. These must be relevant to the nature of the costs incurred. Beside each fuel pricing component, for example, the Bidder must specify an escalation rate consistent with the fuel price forecast provided in the table which appears after Schedule [ • ] in this Volume II. An electronic version of the fuel price forecast is provided in the "Financial Package Forms" Excel workbook. These values will be used for evaluation purposes; Bidders will be paid based on the actual values of the indices at the time of payment.

The index selected for each O&M pricing component should be consistent with market-based indices that are appropriate for that component and the nature of the O&M costs incurred. These indices will be used for both evaluation and payment purposes.

Next, the Bidder must specify the Frequency of Change for the selected indices for payment purposes. For evaluation purposes, all values will escalate on a contract year basis. To specify the Frequency of Change, the Bidder may select Monthly, Quarterly, Annually, or Never (i.e., the initial price remains constant throughout the term). Where bagasse is used as a secondary fuel, the initial fuel price equivalent to [ ] per kWh remains constant, hence the Frequency of Change would be specified as “Never.”

### **c. Annual Charges**

Bidders must enter generation capital charges in Schedule [●] (Sheet B) for every year of the term of the proposal. The generation capital charges must be based on the Contract Capacities. Therefore, Bidders must enter annual U.S.\$ values for every year, including the start year when the proposal may not include all 12 months of the calendar year. Bidders will be paid monthly generation capacity charges based on the availability targets, measured availability and one-twelfth (1/12) of the Bidder-specified annual charges, and will be subject to adjustments based on actual operating performance (the adjustments for operating performance are described in the [Model PPA].)

The generation capital charges should not include any transmission / distribution network charges. A transmission charge must be specified by the Bidder in Schedule [●] (Sheet B) for each year of the proposal. These charges should reflect all transmission or distribution network-related costs including interconnection and required system upgrades (the portion charged to the proposed project) to connect the Facility to the Point of Delivery and must be based on the contracted generation capacity and expected dispatch schedule.

***[Note: A decision has to be made as to whether the power purchaser or the seller (IPP) will pay for the system upgrades or whether the costs will be shared.]***

Bidders must also specify in Schedule [●] (Sheet B) a firm fuel transportation charge (if appropriate to the technology being proposed) based on the contracted generation capacity for each year of the Proposal. [Procuring Entity] reserves the right to negotiate fuel transportation provisions with the Bidder at any time during the term of the PPA if benefits can be derived for [Procuring Entity] and its customers.

In Schedule [●] (Sheet C) Bidders are required to provide various pricing components for each year of the Proposal Term.

### **Section 11.3 – Buy-out Provisions**

[The Procuring Entity] is asking Bidders to provide prices at which the Bidder would be willing to allow [The Procuring Entity], at its discretion, to cancel the power contract before commercial operation, terminate the contract after commercial operation, and purchase the project after commercial operation. [The Procuring Entity] will, therefore, ask Bidders to competitively price these options in their proposals. In all cases involving a buy-out option, the Power Purchase Agreement will terminate and all obligations under the contract (with the exception of buy-out payment and transfer of the facility) will be eliminated. Bidders are asked to complete Schedule [●]

indicating the price at which the Bidder would accept a contract cancellation/termination at different notice period milestone dates.

Cancellation before commercial operation will be based on a milestone schedule.

For terminations after commercial operation, *[the Procuring Entity]* is willing to provide a maximum three-year notice period to the sellers; therefore, values are to be entered starting not later than Year 3. The Bidder may propose a shorter notice period and enter the appropriate values prior to Year 3. Contract termination by *[the Procuring Entity]* will be effective as of January 1st in the applicable year. Therefore, if in *[insert date]* *[the Procuring Entity]* were to exercise its right to terminate a contract, given the three-year notice requirement, the contract would be terminated as of *[insert date]*, and *[the Procuring Entity]* would pay the buy-out price indicated for *[insert year]*.

For project purchase after commercial operation, *[the Procuring Entity]* asks interested Bidders to submit a price at which it would be willing to sell the project to *[the Procuring Entity]*, the “Project Acquisition Price,” with a three-year notice during each year of the contract. Bidders should provide the Project Acquisition Price (in U.S.\$/kW net based on the maximum (contract) net dependable capacity) on Schedule [●] and describe the facilities and contracts included in the acquisition cost. The Project Acquisition Price should be the additional price to acquire the Facility once the contract has been terminated. If *[the Procuring Entity]* exercises the project acquisition option, it must pay both the Contract Termination Price and the Project Acquisition Price.

#### Section 11.4 – Other Contract Flexibility Provisions

*[The Procuring Entity]* is encouraging Bidders to offer other contract flexibility provisions. For example, Bidders may propose an initial contract term and provide *[Procuring Entity]* with options to extend the term at predefined prices. If Bidders would like to provide such options, the pricing schedules should be used to convey the prices. The initial term should be entered as the Contract Term, and the extension provisions should be explained. Flexibility provisions, other than buy-out, may be proposed.

***[Note: If these flexibilities are allowed the financial evaluation of the bids will become more complicated.]***

### **3.3 Chapter 12: Project Financing Plan**

The Bidder is required to provide evidence that the project is financially viable and that the project will likely be able to attract funds from investors and lenders. In this Section of the Financial Proposal, the Bidder should demonstrate how its proposal complies with the financial viability parameters given in Volume I and the degree to which it is consistent with *[Procuring Entity’s]* requirement for Proposals to demonstrate that there is a high likelihood of the project securing funding. Bidders are required to provide the information requested below and all necessary data to support the assertions made.

#### Section 12.0 – Financing Plan

The financing plan must specify or provide the following:

- The projected cost of the project, disaggregated by all major cost elements, and with all foreign and local cost components identified and defined.

- Method of project financing, including likely lenders and investors, the terms under which funds would be provided, and the respective percentage of funding represented by debt and by equity.
- The timing for securing financing.
- The debt repayment schedule.
- A description of the project from a legal and financial standpoint indicating the actual ownership structure, the entities that will have ownership interests and their percentage interests in the project, their responsibilities for the development of the project, and their responsibilities for funding of project development expenses.
- Documentation demonstrating the relevant experience of the Bidder (or partner responsible for securing financing) in obtaining financing for other power generation projects.

*[The Procuring Entity]* requires full project financial pro formas that provide, at a minimum, the information outlined in Schedule [●] – Financial Pro Formas, for the proposed financing term. For purposes of completing this Schedule, Bidders should assume a project capacity factor of [●] percent. Actual project capacity factors will vary. This [●] percent capacity factor is used for evaluation purposes only to review the project’s financial viability as given in the Bidder’s financial pro formas.

#### Section 12.1 – Financial Strength of Bidder

The Bidder is required to provide sufficient financial information to enable *[Procuring Entity]* to assess the financial strength and creditworthiness of the entity that would execute a contract with *[the Procuring Entity]*. Subsidiaries or affiliates of companies that desire that the project’s viability be judged based on a parent or affiliated company must indicate the extent to which the parent or affiliate will provide financial guarantees for the proposed project and under what circumstances it would do so. To enable the *[Procuring Entity]* to make such an assessment, Bidders are required to provide the following information:

- For publicly traded companies, provide copies of annual reports for the two most recent years.
- For privately held companies, provide copies of audited financial statements, including, at a minimum, income statements, balance sheets, cash flow statement, and all notes to financial statements for the two most recent years.

#### Section 12.2 – Proposal Impact on *[the Procuring Entity]* System Reliability and Costs

The Bidder is required to include a discussion of the impact of the project on the *[the Procuring Entity’s]* transmission or distribution / network, and show that it will comply with the technical, operational and reliability standards defined in the PPA (Schedule [XXX] for the network to which the project will connect.

***[Note: If the project was selected through a planning process, this would include a system reliability and quality of service analysis and the relevant technical and operational requirements would have been included as characteristics and requirements in the project.]***

The Bidder is required to include a discussion of the q costs as a result of the Bidders’ proposed project. For example, Bidders are invited to suggest measures they will take to ensure plant efficiency within the life of the PPA.