Office of Utilities Regulation

REQUEST FOR PROPOSALS

for

Supply of up to 115 MW of Electricity Generation Capacity from Renewable Energy Based Power Generation Facilities on a Build, Own and Operate (BOO) Basis

ADDENDUM No. 2



April 12, 2013

RFP for Supply of up to 115MW of Electricity Generation Capacity from Renewable Energy Based Power Generation On a Build, Own and Operate basis – Addendum No. 2 Office of Utilities Regulation Document No. **ELE2012003_RFP002_ADM002** In accordance with the provisions of Section 3.1.2 "**Amendments**" of the Request for Proposal for the Supply of up to 115 MW of Electricity Generation Capacity from Renewable Energy Based Power Generation Facilities on a Build, Own and Operate (BOO) Basis dated November 26, 2012 (the "**RFP**"), the Office of Utilities Regulation ("**OUR**") HEREBY ISSUES this addendum ("**Addendum No. 2**") dated the 12th day of April 2013 to the RFP.

Applicants are reminded that:

- The receipt of this Addendum No. 2 shall be acknowledged promptly in writing by prospective Applicants and so noted in the Applicant's proposal.
- Late receipt or non-receipt of this Addendum No. 2 shall not relieve any Applicant from being bound by it.

The sections of the RFP to be modified and the modifications being made by way of this Addendum are indicated below:

- 1. In Section 1 INVITATION TO APPLICANTS, paragraph 6 is amended and restated as follows:
 - 6th. Based on the projected system configuration for 2015 in conjunction with the NEP, 115 MW capacity from renewable energy sources is required to be commissioned by mid-2016, which is the subject of this Request for Proposal (RFP).
 - 2. In Clause 2.10 Procurement Process and Schedule, the proposed process and timetable is amended and restated at Item No. 10. as follows:

	ACTIVITY	DATE
10.	Proposed Commissioning Date	July 2016 (new)

- 3. Clause 3.2.9 Proposed Tariff at the sixth (6) bullet of paragraph 76 is amended and restated as follows:
 - The components of the Tariff that may be indexed after commencement of operation are set out in the table in Exhibit 9. The base for these will be the cost data to be provided by the Applicant in the Proposal and should be as of thirty (30) Days prior to the deadline for submission of Proposals. The Tariff should therefore be based on cost data as of thirty (30) Days prior to the deadline for submission of Proposals.

Where project cost components from suppliers are quoted in currencies other than USD, proposers are advised that they should base the indexation on the exchange

rate as published in the Financial Times website (<u>www.ft.com</u>) thirty (30) days before proposal submission.

- 4. In Clause 3.4.7 Evaluation of Proposals, paragraph 139 is hereby amended and restated as follows:
 - 139th. Acting in its sole discretion, the OUR reserves the right to accept or reject any Proposal and to reject all Proposals, without thereby incurring any liability to the affected Applicants, their agents and/or assigns. The OUR reserves the right not to recommend any Applicant for grant of Licence to supply electricity, and may terminate the selection process at any time without thereby incurring any liability to any Applicant, their agents and/or assigns.

For the avoidance of doubt, project cost information as provided by applicants will be evaluated where applicable on the basis of the indexation on the exchange rates published in the Financial Times website (<u>www.ft.com</u>) thirty (30) days before proposal submission.

- 5. Clause 3.8.3 Performance Security Requirements, is hereby amended and restated as follows:
- 167th. Within ten (10) Days after the later of the dates on which the Licence and PPA are signed, the Project Company shall furnish a Performance Security Deposit in the amount of 5% of the expected total capital cost of the Project. The Performance Security Deposit shall be in the form of either a) an unconditional letter of credit or b) a certified cheque issued by a reputable financial institution. All costs of obtaining and maintaining the Performance Security Deposit shall be borne by the Project Company.

6. Clause 5.10 EXHIBIT 9: PROPOSED TARIFF, is hereby amended and restated as follows:

Tariff Component	Unit	Base Price	Basis for Adjustment	Frequency of Adjustment
Capacity Price	US\$/kW/Month		- US\$/J\$ Exchange Rate	Monthly
Fixed O&M Price	US\$/kW/Month		- US CPI, Local CPI* - US\$/J\$ Exchange Rate	Annually
Variable O&M Price	US\$/kWh		- US CPI, Local CPI* - US\$/J\$ Exchange Rate	Annually
Renewable Fuel Feed Stock Price	US\$/kWh		To be based on fuel type	Monthly

Table 5-1: Proposed Tariff

* If any local O&M tariff components are proposed.

7 APPENDIX C: SOURCES FOR ADDITIONAL INFORMATION, paragraph 2 is amended and restated as follows:

Applicants are required to perform their own due diligence in relation to the Project. The OUR does not guarantee the accuracy of information provided by any of the various sources.

Applicants are advised to consult with relevant agencies as deemed appropriate by them. In particular, potential waste to energy proposers are to ensure that they consult with the NSWMA for access to waste and any applicable pro-forma contracts. These entities may include inter-alia:

Yours sincerely,



Peter Johnson Manager Utility Monitoring and Electricity Generation OFFICE OF UTILITIES REGULATION