
Office of Utilities Regulation

REQUEST FOR PROPOSALS
for
Supply of up to 37 MW (Net) of Electricity
Generation from Renewable Energy
Resources on a Build, Own and Operate
(BOO) Basis

ADDENDUM No. 1



2015 September 25

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1. In accordance with the provisions of Section 2.1.2 “**Amendments to RFP**” of the Request for Proposal for the Supply of up to 37 MW (Net) of Electricity Generation from Renewable Energy Resources on a Build, Own and Operate (BOO) Basis dated 2015 July 31 (the “**RFP**”), the Office of Utilities Regulation (“**OUR**”) HEREBY ISSUES this addendum (“**Addendum No. 1**”) dated 2015 September 25 to the RFP.

2. Applicants are reminded that:
 - The receipt of this Addendum No. 1 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. 1 shall not relieve any Applicant from being bound by it.

3. The sections of the RFP to be modified and the modifications being made are indicated below:

A.	Section 1.1 – DEFINITIONS	<i>The definition of “Licence” is replaced as follows:</i>	
		Licence	The licence granted by the Minister pursuant to section 9 of the Electricity Act, 2015, or such other legislation in replacement thereof, which authorizes the power provider to generate and supply electricity.
B.	Section 1.1 – DEFINITIONS	<i>Immediately after the definition of “PTI PSS/E” the following definition of “Renewable energy source” is added:</i>	
		Renewable energy source	Energy sources that are not depleted when exploited (such as solar, wind and hydro), and includes, for purposes of this RFP, solid waste and biomass.

C.	Section 1.4 – LEGAL AND REGULATORY FRAMEWORK FOR THE ELECTRICITY SECTOR	<p><i>In the 28th paragraph, the information in the second bullet shall be deleted and replaced as follows:</i></p> <ul style="list-style-type: none"> • The Electricity Act, 2015. Note that the Electricity Act, 2015 came into force on 2015 August 27 and has repealed the Electric Lighting Act. This Act can be viewed on the Jamaica Parliament website: japarliament.gov.jm 																																	
D.	Section 1.10 – PROCUREMENT PROCESS AND SCHEDULE	<p><i>The information in section 1.10 shall be deleted and replaced as follows:</i></p> <p>The proposed process and timetable are as follows:</p> <table border="1" data-bbox="589 869 1471 1850"> <thead> <tr> <th>No</th> <th>ACTIVITY</th> <th>DATE</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Issue of Request for Proposal</td> <td>31 July, 2015</td> </tr> <tr> <td>2</td> <td>Pre-bid meeting</td> <td>28 August, 2015</td> </tr> <tr> <td>3</td> <td>Deadline for Submission of Proposals by Applicants</td> <td>27 January, 2016</td> </tr> <tr> <td>4</td> <td>Complete Evaluation of Proposals</td> <td>26 April, 2016</td> </tr> <tr> <td>5</td> <td>Notify Highest Ranked Applicants</td> <td>06 May, 2016</td> </tr> <tr> <td>6</td> <td>Complete negotiation of Project Agreements</td> <td>03 November, 2016</td> </tr> <tr> <td>7</td> <td>Highest Ranked Applicants Post Performance Security Deposit by</td> <td>14 November, 2016</td> </tr> <tr> <td>8</td> <td>Begin Construction</td> <td>03 July, 2017</td> </tr> <tr> <td>9</td> <td>Proposed Commissioning Date (Energy Only, other than Hydroelectric Projects)</td> <td>28 December, 2018</td> </tr> <tr> <td>10</td> <td>Proposed Commissioning Date (Firm Capacity, other than</td> <td>27 December, 2019</td> </tr> </tbody> </table>	No	ACTIVITY	DATE	1	Issue of Request for Proposal	31 July, 2015	2	Pre-bid meeting	28 August, 2015	3	Deadline for Submission of Proposals by Applicants	27 January, 2016	4	Complete Evaluation of Proposals	26 April, 2016	5	Notify Highest Ranked Applicants	06 May, 2016	6	Complete negotiation of Project Agreements	03 November, 2016	7	Highest Ranked Applicants Post Performance Security Deposit by	14 November, 2016	8	Begin Construction	03 July, 2017	9	Proposed Commissioning Date (Energy Only, other than Hydroelectric Projects)	28 December, 2018	10	Proposed Commissioning Date (Firm Capacity, other than	27 December, 2019
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		11	Proposed Commissioning Date (Hydroelectric Projects)	27 December, 2019
E.	2.2.20 Proposal Security	<p><i>In the 98th paragraph, the information in the third and fourth bullets shall be deleted and replaced as follows:</i></p> <ul style="list-style-type: none"> • In the event that the Power Purchase Agreement(s) and Licence(s) have been executed or issued, as the case may be, and the required Performance Security Deposit(s) have been paid in relation to the quota of 37 MW of electricity procured from other Applicants; or • In the event that the Applicant has executed the Power Purchase Agreement, been issued its Licence and has furnished the required Performance Security Deposit. 		
F.	Section 2.7 – STAGE 2 EVALUATION – TECHNICAL EVALUATION	<p><i>The information in paragraph 2.7.2 shall be deleted and replaced as follows:</i></p> <p>2.7.2 Proposed Technology [8%]</p> <ul style="list-style-type: none"> • Years of successful commercial use of proposed renewable technology <ul style="list-style-type: none"> ❖ 3 Years and over [6%] ❖ Under 3 years [2%] • Technological enhancements in Proposal that could improve performance of the proposed project. [2%] 		
G.	Section 3.1 – SECURITY PACKAGE	<p><i>The information in the 167th paragraph in section 3.1.1 – Granting of Licence – shall be deleted and replaced as follows:</i></p> <p>167th The Project Company will be required to apply for and obtain a Licence from the Minister issued pursuant to the Electricity Act, 2015. Under the Licence, the Minister will grant the Project Company the right to design, build, own and operate the Complex and sell electrical energy to the national grid. A format of the Licence is attached as Appendix D. Note however that with the</p>		

		coming into force of the Electricity Act, 2015, the form and content of this Licence, as well as the applicable licensing procedures, may change.
H.	Section 3.1 – SECURITY PACKAGE	<p><i>At the 169th paragraph of section 3.1.2 – Principles of Power Purchase Agreement – the information in the third to last round bullet shall be deleted and replaced as follows:</i></p> <ul style="list-style-type: none"> • Liquidated damages will be assessed against the Project Company with Energy Only Proposals for delays in commissioning.
I.	Section 3.1 – SECURITY PACKAGE	<p><i>The information in the sixth bullet of the 174th paragraph in section 3.1.6 – Principles of Engineering, Procurement & Construction Agreement – shall be deleted and replaced as follows:</i></p> <ul style="list-style-type: none"> • The performance of the contractor shall be secured by a Construction Security Deposit. The amount of the Construction Security Deposit should not be less than five percent (5%) of capital cost of the Project for Firm Capacity Projects and one percent (1%) for Energy Only Projects. The Construction Security Deposit shall cover the warranty period for the Facility.
J.	Appendix A – Applicants Proposal and Supporting Data	<p><i>The two tables in Exhibit 9: PROPOSED TARIFF – in section 4.10 of Appendix A should be relabeled “Table 5-1 (i): Firm Capacity Proposed Tariff Components as Applicable” and “Table 5-1 (ii): Energy Only Proposed Tariff Components as Applicable” respectively, and the information in the second paragraph immediately before the tables deleted and replaced as follows:</i></p> <p>The Tariff for Firm Capacity Proposals shall be presented by filling in the blank spaces in the following Table 5-1 (i) and the Tariff for Energy Only Proposals in Table 5-1 (ii) accordingly.</p>

K.	Appendix D – FORM OF LICENCE	<p><i>All references to the “Electric Lighting Act” and “ELA” in the form of Licence are deleted and replaced with references to the Electricity Act, 2015.</i></p> <p><i>In section 3.1 of the form of Licence the reference to section 3 of the ELA is deleted and replaced with a reference to section 9 of the Electricity Act, 2015.</i></p>
L.	Form of Power Purchase Agreements	<p><i>The forms of Power Purchase Agreements (PPAs) posted on the OUR’s website prior to the date of this Addendum No. 1 are withdrawn. The forms of PPAs attached to this Addendum No. 1 as Exhibit A – Form of PPA for Energy Only Renewable Projects and Exhibit B – Form of PPA for Firm Capacity Renewable Projects shall be deemed to form a part of the RFP.</i></p>

Yours sincerely,

OFFICE OF UTILITIES REGULATION



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Ambassador Peter Black

Secretary to the Office

Attachments: Exhibits A and B

EXHIBIT A:

**FORM OF POWER PURCHASE AGREEMENT FOR
ENERGY ONLY RENEWABLE PROJECTS**

EXHIBIT B:

**FORM OF POWER PURCHASE AGREEMENT FOR FIRM
CAPACITY RENEWABLE PROJECTS**