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GOVERNMENT OF PUERTO RICO  
Puerto Rico Electric Power Authority

# Request for Proposals

RFP 102750  
Temporary Emergency Generation  
March 12, 2020

Issued by the Puerto Rico Electric Power Authority



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## 1. Statement of Requirements

This Request for Proposal (RFP) contains confidential and proprietary information that is the property of the Puerto Rico Electric Power Authority (PREPA), which is provided for the sole purpose of permitting the recipient to respond to the RFP. The recipient agrees to maintain such information as confidential and not to copy nor disclose the RFP information to any person outside the group directly responsible for responding to its contents. The contents of this document may not be used for any purpose other than preparation of a response or proposal to this RFP.

## 2. Abbreviations, Acronyms and Definitions

Words and terms defined in this Section shall have the same meaning throughout all parts of this RFP and the LOA.

**Addenda/Addendum** means a supplemental document with additions, deletions, and **modifications** to the provisions of the RFP, after the release date of the RFP.

**Contractor or Selected Proponent** means a proponent awarded the LOA resulting from this RFP.

**EPA** means Environmental Protection Agency.

**Evaluation Committee** means a committee designated by PREPA's Governing Board Officer, which will evaluate all complete proposals pursuant to the criteria listed in this RFP.

**Final Acceptance** means the written approval by PREPA that the entire work has been completed and the final cleaning up of the site has been performed and all Punch List items have been rectified.

**Government Entity** means any department, agency, board, commission, body, bureau, office, public corporation, or instrumentality of the Executive Branch of the Government of Puerto Rico, whether existing or to be created in the future.

**Inspection** means a periodic action comprising a careful scrutiny of an item, carried out without dismantling and using all the senses as required, to detect anything that causes the item to fail to meet unacceptable condition. Note: An inspection may be followed by an operational review.

**Key Individuals** means an individual who will play an important role in the engagement or LOA on behalf of a Team Member resulting from this RFP.

**LOA** has the meaning defined in Section 4.

**Local Parties** means local subcontractors or professionals (which may include architects and consulting engineers) and relevant service providers who are based in or have a significant on-going business presence in Puerto Rico.



**Notice to Proceed** or **NTP** means a letter from an authorized PREPA representative to the **contractor(s)** stating the date the contractor(s) can begin work subject to the conditions of the LOA. The performance time of the LOA commences on the NTP date.

**PREPA** means the Puerto Rico Electric Power Authority.

**Proponent** means a (i) natural person, (ii) legal person, (iii) joint venture, or (iv) partnership, or (v) consortium of individuals, and/or partnerships, and/or companies or other entities that submit a response to this RFP that is not currently debarred.

**Public Interest** means any government action directed to protecting and benefiting citizens at large, whereby essential goods and services are provided for the welfare of the population.

**Team Member** means a member of a Proponent. Team Members shall be identified in Proponent' submissions and not be changed without the consent of PREPA.

**Redacted copy** means a version/copy of the proposal with the information considered confidential and/or proprietary "blacked out" or "edited" as defined Section 22 of this RFP.

**Team Member** means a member of a Proponent. Team Members shall be identified in the proposals and must not be changed without the prior consent of PREPA.

**Unit (or unit)** means a module composed of a generator and turbine for power generation **purposes**. The technology proposed by the Proponents capable of provided the capacity and energy required under this RFP.

### 3. Introduction

#### 3.1 About PREPA

The Puerto Rico Electric Power Authority (PREPA) is a public corporation and governmental entity of the Commonwealth of Puerto Rico, created pursuant to Act 83 of May 2, 1941, as amended, with the duty of providing electric power in a reliable manner, contributing to the general welfare and the sustainable future of Puerto Rico, maximizing the benefits and minimizing the social, environmental and economic impacts.

PREPA is empowered to make contracts, sell, and buy assets and real estate, borrow money and issue bonds.

PREPA's objectives:

- Reduce energy cost
- Promote smart energy consumption
- Protect the environment, lives, public health and safety

Strategies to achieve these objectives:

- Reduce operating expenses
- Increase efficiency
- Minimize energy theft



- Diversify energy sources
- Establish smart grid for energy control and consumption monitoring
- Maximize use of advanced technology

### **3.2 Background**

On January 6, 2020, a magnitude 5.8 earthquake struck the southwest region of Puerto Rico causing considerable damage to homes and other private and public structures and a partial electric power blackout. Then, on January 7, 2020, Puerto Rico's most destructive earthquake in a century, a magnitude 6.4 earthquake that jolted residents, caused major damage to private and public structures and infrastructure, including mechanical and structural damage to PREPA's Costa Sur power plant, an 820 MW power plant providing nearly 25% of the electric power on the island. The island suffered a complete electric power blackout as a result of the earthquake and the Costa Sur power plant failure. On January 11, 2020, a magnitude 5.9 earthquake once again rattled Puerto Rico's southwestern coast.

Since late December 2019, there have been more than 100 earthquakes or aftershocks of magnitude 3 or higher, which were strong enough for residents near the epicenters to feel, according to the U.S. Geological Survey (USGS). Various earthquakes of magnitude 5 or higher have also struck the island.

### **3.3 Project Need**

At present and with the information available to date, the time to repair the Costa Sur power plant has been estimated at approximately twelve (12) months. The damage assessments are still underway as damages are significant and this is the first event of this magnitude affecting a large power plant in PREPA's fleet. However, a full inspection has not been completed due to the continuing earthquakes/aftershocks affecting the power plant structure. Some experts have preliminarily indicated that the plant may not be viable for use due to safety concerns. The temporary or permanent loss of Costa Sur's 820 MW generation has caused the following:

- Immediate shortage of reserve capacity
- Conditions that threaten lives, public health and safety
- Possible significant damage to improved public or private property Shortage of operating capacity to serve the peak demand months (June onwards)
- Shortage of Primary and Secondary frequency regulation
- Extensive use of less efficient and less flexible generating units using higher cost fuels
- Reduced power system inertia and dynamic and transient stability margins
- Alteration of PREPA's generation fleet maintenance schedules

### **3.4 Purpose and Intent**

Pursuant to the stated objectives and strategies, PREPA publishes this RFP to solicit submittals from interested and qualified firms that can provide the scope of work detailed herein (the Project). The purpose of this RFP is to award qualified firms which shall provide time-critical, dual fuel, low sulfur diesel, liquefied natural gas (LNG), or renewable generation to temporarily power existing switchyards substations in Puerto Rico as part of disaster recovery in response to the Governor of Puerto Rico's Executive Order 2020-01 and the United States' President's Disaster Declaration of January 16, 2020, and to provide capacity



and energy to replace the loss of the 820 MW Costa Sur power plant in Guayanilla until it can be repaired, replaced or alternate solutions have been secured.

LOAs may be awarded to those qualified persons or legal entities whose proposals conform to this RFP and are most advantageous to PREPA. Proponents shall demonstrate in their proposals their capacity to conduct all works in compliance with the Scope of Services indicated herein. PREPA will evaluate and analyze the information provided in the proposals and will determine which companies meet the minimum requirements.

This Project seeks reputable and experienced firms (contractors) that can enter into a lease, installation, operation and maintenance agreement with PREPA for dispatchable generation capacity. Under the LOA, the Contractor(s) shall lease, transport, place/install, test, commission, operate and maintain up to 500 MW of continuous total net generator output capacity at different locations and divided by generation blocks per site. The Contractor(s) shall be responsible for all equipment, delivery, installation, interconnection, testing, commissioning, operation and maintenance of this generation infrastructure, as well as for its eventual retirement, per PREPA's requirements, all applicable industry codes and standards (latest revisions), and federal and local regulations.

PREPA may consider all non-variable, dispatchable generation, dual fuel, low sulfur diesel, liquefied natural gas, or renewable technologies, in-land based or barge-mounted configurations, including single-cycle aeroderivative gas turbines, RICEs, combined cycles, Battery Energy Storage Systems (BESS) or other renewable sources.

Proponents can propose a combination of these resources (with a required generation of up to approximately 500 MW) to be installed at various locations, described in Appendix A. Additional or alternate sites may be proposed (including Vieques), and will be evaluated by PREPA to determine the interconnection viability to the grid and compliance with the requirements outlined in Appendix A. These additional or alternate sites will be subject to PREPA's approval.

The required generation of up to approximately 500 MW shall be installed at various locations identified by PREPA (see Appendix A).

PREPA reserves the right to award LOA(s) to one or more Contractors.

Due to the emergency circumstances, PREPA expects that the Proponent will not be responsible for the units' operation permitting processes for the sites described in Appendix A. The proposal shall include design emission parameters for required fuels of the units, with and without water injection. See Appendix B for Fuel Specifications. Proponents must clearly identify all environmental requirements and all process inputs. Proposals that do not comply with this requirement will be rejected. Selected Proponents shall be responsible for any other permit required for the installation of the unit. For additional or alternate sites not mentioned in Appendix A and suggested by the Proponents, the Proponent(s) shall be responsible for all permits, all infrastructure, fuel supply, and any other applicable requirement for the successful operation of the units.

PREPA expects to award LOAs per site to the best offers that substantially meet the established requirements and the intent of the RFP. As such, if PREPA does not receive proposals that meet the minimum requirements of this RFP for one or more sites mentioned in Appendix A, PREPA reserves the right to resolicit proposals for said sites to proponents



whose offers complied with this RFP's minimum requirements and that proposed for other sites, per the Evaluation Committee's determination.

The Proponent shall assume a capacity factor of 90%, and all technologies proposed must be capable of providing energy at a 90% capacity factor.

PREPA prefers that the generating units may actively participate in primary and secondary frequency regulation.

PREPA expects the temporary generation units to be installed at existing PREPA facilities except at Costa Sur (see Appendix A). PREPA will be responsible for the fuel supply.

Although the Costa Sur power plant cannot be used to install generation units, its switchyard 230 kV can be used as a transmission center and interconnection point. This site will be considered an alternate site and fuel supply will be the responsibility of the Contractor.

PREPA has preliminarily discussed the Project with FEMA, who has agreed to move forward with a procurement process for temporary generation, in compliance with the appropriate sections of the Stafford Act, for reimbursement of the Project's costs.

The Contractor shall fully comply with Puerto Rico (local) and federal laws and regulations and shall conform to FEMA documentation and audit requirements.

For locations described in Appendix A, there is sufficient space for placing temporary generation units per site of no less than 20 MW each. Although PREPA prefers units of 20 MW or more for these locations, PREPA may consider proposals with units of smaller capacity. Appendix A describes the actual capacity of the output transformers of each possible site, but if a new transformer, breaker and BOP equipment are furnished with the unit, the generator's output could be more. Proposals shall include a top-view layout of the arrangement of all equipment included in it for each proposed site.

PREPA will consider new and used generation units. Used units must be able to meet the operational requirements during the term of the agreement. Proponents shall include in the proposal evidence of all maintenance records which demonstrate the actual conditions of the units. The units will be subject to PREPA's inspection prior to acceptance. Proponents shall include in the proposal the emissions profile of the required units for the following criteria pollutants – sulfur dioxide (SO<sub>2</sub>), oxides of nitrogen (NO<sub>x</sub>), particular matter (PM), particular matter less than 10 microns (PM<sub>10</sub>), particular matter less than 2.5 microns (PM<sub>2.5</sub>), volatile organic compounds (VOC), sulfuric acid mist (H<sub>2</sub>SO<sub>4</sub>), carbon monoxide (CO) and Formaldehyde, hazardous or toxic air pollutant emissions (HAPS & TAPS), water requirements, wastewater discharge, solid or hazardous waste. Proponents shall also identify whether the units have inherent emission controls and whether they can be retrofitted with emission controls.

The Proponent shall include in their proposals the necessary components for the BOP, as the output transformers, breakers and BOP, if they are available for immediate delivery. If not, the temporary generation units shall have the capacity to be connected to the existing transformers per site. The bus voltages to connect the transformers are 38 kV, 115 kV and 230 kV, as described in Appendix A.





In addition to transporting, providing and installing the units, the work requirement includes commissioning of the system(s), operation and maintenance of the unit(s) for the period of time required to adequately respond to the emergency situation, and that the Contractor(s) uninstall and demobilize the units. If the need for temporary generation of power remains after an initial period, PREPA may exercise an option to extend for an additional period(s).

The Contractor shall incorporate necessary and authorized resources to perform this work to applicable engineering, safety, construction standards, and local and federal regulations, in the timeliest manner possible (no later than June 1, 2020), and with optimal cost containment.

#### 4. Form of LOA & Contract Term

As a result of this RFP process and contingent upon the necessary authorizations for current contracting processes, PREPA expects to award the Selected Proponent(s) one or more Lease & Operating Agreements (each, an “LOA”). Exhibit 1 sets forth a form of Lease & Operating Agreement for Dual-Fuel Generation and Exhibit 2 sets forth a form of Lease & Operating Agreement for Renewable Energy and Battery Storage Generation. The contract term is not to exceed eighteen (18) months and is subject to the availability of funds, and the requirements of the Puerto Rico Energy Bureau. The contract term proposals shall be presented as follows:

1. Initial term of twelve- (12) months with PREPA’s option to extend the contract for six (6) additional months,
2. Initial term of nine- (9) months, with PREPA’s option to extend in three- (3) month terms (up to eighteen months),
3. Initial term of six- (6) months, with PREPA’s option to extend in two- (2) month terms (up to eighteen months),
4. Initial term of three-(3) months with PREPA’s option to extend in three- (3) month terms (up to eighteen months),
5. Proponent may offer alternative initial contract terms and extension options (not to exceed eighteen months).

PREPA reserves the right to re-bid the LOA after the expiration of the original term or under several LOA breach circumstances from the Selected Proponent.

PREPA reserves the right to cancel or modify this RFP process at any time and is not obligated to enter into an LOA even upon its completion, after the selection of the Selected Proponent, or during LOA negotiations.

**Proponent must review the form of LOAs set forth in Exhibits 1 and 2, and state any exceptions to its clause(s)** and may suggest proposed modifications to the contract language with which the Proponent disagrees or for which Proponent is unable to satisfy the condition or requirement, including an explanation of the review (if any), unless Proponent agrees and can comply with all of the conditions and requirements of the contract. PREPA will evaluate the proposed modifications to the LOA and may, at PREPA’s discretion, affect overall scoring of the proposals. PREPA reserves the right to reject any or all proposed modifications.



## 5. RFP Timeline

The following are the key dates of the RFP process. Please note that the RFP timeline includes target dates that may change. The Proponents are responsible for monitoring the PowerAdvocate© website for updates to the RFP timeline and other important information.

Milestone	Date Due
Request for Proposal issued	March 12, 2020
Kickoff meeting	March 18, 2020
Site Visits	March 18-20, 2020
Proponents Request for Clarifications	March 26, 2020
PREPA response to Request for Clarification	March 31, 2020
Proposal submittal deadline (RFP Closing Date)	April 7, 2020
Interviews/Presentations with Proponents*	April 16-20, 2020
Selection announcement	April 22, 2020

*\*May not be required, yet, per PREPA's RFP Guide, the Evaluation Committee may request interviews with proponents in the competitive range.*

Submittals that have not been completely uploaded by April 7, 2020, 8:00 PM AST will not be considered. Proponents shall allow themselves enough time to completely upload their proposals and to confirm that the files are available for PREPA's review.

## 6. Request for Proposal Submission

Proponents shall submit their proposals through the Upload Documents tab of the RFP **102750** event on the PowerAdvocate© Platform. A Redacted Copy as required in Section 22 (*Confidentiality of Responses and Proprietary Information must also be uploaded*). All RFP submissions, inclusive of the pricing, technical information, discounts and other requested details are to be submitted via PowerAdvocate© on or before 8:00 pm AST, April 7, 2020. Proposals must be signed by the Proponent's authorized representative or by the authorized person whose name appears (or will appear) in PREPA's Supplier Registry Office. The signature must be shown along with the name in print and the capacity or position held.

Proponents must also provide hard copies of (i) the uploaded proposal in PowerAdvocate and (ii) the Redacted Copy on or before 3:30 pm AST, April 8, 2020, to the following address:

### Postal Address:

Puerto Rico Electric Power Authority  
Supplier Registry Office  
PO Box 3670151  
San Juan, Puerto Rico 00936

### Physical Address:

Supplier Registry Office  
1110 Ponce de Leon Avenue  
Third Floor, Office 305  
NEOS Building, Santurce, PR

### 6.1 Proposal Requests for Clarification

A Proponent may submit a Request for Clarification (RFC) to PREPA for explanation or interpretation of any matter contained in this RFP no later than 8:00 p.m. AST, March 26, 2020, via PowerAdvocate© through the Messaging Tab of the event *RFP 102750*. If responses to the RFC constitute a modification or additional information to the original RFP, PREPA will provide such clarification through Addenda posted on PowerAdvocate no later



than March 31, 2020. Questions should NOT contain proprietary information, as answers may be published in the public domain to all participants. PREPA does not guarantee answers for all questions or comments received. PREPA will NOT accept or address any questions that are not submitted as stated in this section.

Proponents must submit their questions in the Request for Clarification form included as Annex F. This document must be submitted in Word format and each question must reference the page number, section of the RFP document, attachment or article of the LOA. PREPA will respond to the requests for clarification in the column labeled 'Clarification Response'.

Proponent is solely responsible for monitoring this site for additional information, updates and Addenda concerning the RFP. Any changes or modifications to the RFP terms, conditions or specification will be made through Addenda posted on PowerAdvocate.

The PowerAdvocate Guide is included as part of this RFP as Exhibit 3. For technical assistance with this sourcing platform please contact PowerAdvocate's technical support at (857) 453-5800 or via email at support@poweradvocate.com. Proponent shall be responsible for ensuring that all of their proposal documents are fully uploaded before the closing date and time of the event.

## **6.2 Communications**

Verbal questions will NOT be accepted. All communications must be through the Messaging Tab of PowerAdvocate, and addressed to the following PREPA Procurement Representatives for this RFP:

Delis T. Zambrana  
Natalia Martínez Lugo

Neither the Proponents nor the Team Members or any of their respective advisors, employees or representatives shall contact or attempt to contact, either directly or indirectly, at any time during the RFP process, any of the following persons on matters related to the RFP: (a) any member of the Evaluation Committee; (b) any advisor of PREPA for this RFP process; (c) any employee or representative, directors, officers or consultants of PREPA. Proponents Team Members are prohibited from directly or indirectly contacting other Proponents, such as directors, officials, employees, consultants, advisers, agents or representatives, in matters related to its proposal preparation, content, or presentation. Proposals shall be submitted with no connection to, knowledge, information comparison, or arrangement, with other proponents such their directors, officials, employees, consultants, advisers, agents or representatives.

Communications with PREPA representatives, other than the abovementioned procurement representatives, or with relevant entities of the Federal Government or local government, regarding any matter related to the contents of this RFP are prohibited during this RFP process.

Failure to comply with these communications restrictions will result in rejection of the firm's proposal.



### 6.3 Proposal Modification

PREPA may allow for proposal modifications if they are submitted by the closing date and time established in Section 5 of this RFP, and submitted in accordance with this RFP's proposal submission instructions.

### 6.4 Expenses and Rejections

Neither PREPA, the Government of Puerto Rico nor any of its instrumentalities, will be responsible for any expenses in the preparation and/or presentation of the proposals, oral interviews or disclosure of any information or material received in connection with this RFP.

PREPA reserves the right to reject any and all proposals received in response to this RFP, when determined to be in PREPA's best interest, and to waive minor noncompliance in a proposal. PREPA further reserves the right to make such investigations as it deems necessary as to the qualifications or perceived conflicts of interest of any and all firms submitting proposals in response to this RFP. The mere appearance of a conflict of interest must constitute sufficient cause for the outright rejection of a proposal(s). In the event that any or all proposals are rejected, PREPA reserves the right to re-solicit proposals.

## 7. Prohibited Communications

During this RFP, the only communications allowed are with the designated procurement representatives indicated in Section 6 of this RFP. Communications with other PREPA representatives or other persons from the State or Federal Government regarding any matter related to the contents of this RFP are prohibited during the submission, evaluation and selection processes. **Failure to comply with these communications restrictions will result in rejection of the firm's proposal.**

## 8. Scope of Work

PREPA is pursuing temporary generation at different sites to respond to the current emergency situation due to the aftermath of several earthquakes experienced in January 2020. The temporary generation is to respond to conditions that threaten lives, public health and safety. Through this RFP process, PREPA is seeking temporary generation from qualified firms for the different sites via the LOAs. The Proponents shall maximize the use of the existing systems in place located at each different site as time is of the essence for this Project.

As PREPA recovers from the earthquakes, temporary replacement generation is required to create a more resilient system to enable quicker, more effective recovery. PREPA expects Proponents to consider the latest and most reliable technology which can provide flexible generation while minimizing environmental impacts. A flexible generation resource with fast response to changing conditions would address the current emergency situation.

Upon the preliminary evaluation of the current and foreseen generation capacity, this RFP requires the supply of temporary power generation of up to 500 MW size range based on equivalent operating characteristics (start times, ramp rates, heat rate curves, etc.), designed and capable of operating at a capacity factor of 90% for at least twelve (12) months. The units shall be capable of burning low sulfur diesel and natural gas fuels if shown to be available and acceptable under all local and federal laws and regulations, and compatible with the proposed solution. Solutions may be land-based or floating. BESS using renewable sources may also be



considered. The generating units included in the proposal are required to be compliant with all applicable environmental and land use or maritime (if applicable) laws and regulations, including but not limited to, the Clean Air Act and Clean Water Act, the regulations promulgated thereunder, with future permits' required modifications according with state and federal plans. The generating units shall include appropriate emission controls.

The units must have the capability to start from standby to full load in no more than thirty (30) minutes, shall have black-start capability, and must operate at an all-in cost that is as low as possible. The units shall be equipped with modern environmental control equipment to meet all current state and federal environmental compliance requirements.

The following items are requirements for this scope of work:

- a. The power generation facilities shall be located in different locations and shall be connected to the 38 kV, 115 kV or 230 kV (locations described in Appendix A), able to operate in islanded mode in case of an outage and an isolated operation is required. In islanded mode, units shall be black-start capable and be able to provide services such as frequency, voltage control, and be able to respond to deviations in generation.
- b. Units shall be operational, ready to export energy to PREPA on June 1, 2020.
- c. The units shall be compliant with the EPA and Puerto Rico Department of Natural Resources (formerly under the Environmental Quality Board) requirements, that include but are not limited to, New Source Performance Standards and Hazardous Air Pollutant Standards. If the Project has any impact on local marine environment, the Selected Proponent shall ensure compliance with all federal and local marine permitting requirements.
- d. Units shall be equipped with modern environmental control equipment to meet all current state and federal environmental compliance requirements.
- e. Proposals shall include the maintenance schedule for each unit for the next eighteen (18) months of the power generation units offered as a solution must be included in the proposal.
- f. The Proponent shall furnish documentation showing that the proposed equipment has been commercially demonstrated/successful and provide an experience list of similar model projects with similar delivery schedules.
- g. The units must be individually and collectively capable of being dispatched from standby to full load in no more than thirty (30) minutes. PREPA prefers minimal time from dispatch from standby to full load.
- h. The Project will be connected to the existing transformer. The Proponent shall include in its proposal breakers and all necessary BOP equipment with the existing capacity. If the proposed unit(s) exceeds the capacity of the existing transformer, the Contractor shall supply a new step-up transformer, breaker and BOP equipment, per site.
- i. All units must be capable of synchronizing to the current electrical system and provide automatic load following services.
- j. The units shall be designed and capable of operating at an annual average equivalent availability factor of at least 90 percent (90%) for the contract term.
- k. Proposed solutions shall be a complete and grid connected generating facility including



everything required for the operation of the units. The proposal shall include detailed plans for operation during inclement weather and emergency situations.

- l. Time is of the essence for this RFP. PREPA is seeking a complete solution that complies with all requirements of this RFP, including, but not limited to, permitting, installation, interconnection, testing, and commissioning in the shortest possible time (see Scoring Criteria).
- m. Power units shall have the capability of remote operation.
- n. Units shall communicate to PREPA system through SCADA.
- o. Dispatch of the units shall be at PREPA's sole discretion and electric system needs.
- p. All proposed solutions must also be black-start capable.
- q. Operation and maintenance (O&M) portion of the services shall be all-inclusive, including furnishing and maintaining an adequate inventory of all spare parts throughout the contract term. The O&M services shall be designed to meet the high availability target and expected capacity factor of the units.
- r. The Contractor shall arrange for storage of all spare parts during the term of the O&M services in an appropriate environment to maintain the spare parts in a new condition.
- s. Installation of the units shall be provisional, not permanent.
- t. The units shall be capable of synchronizing with the existing units in each location, if applicable.

The Contractor shall develop and submit the following documents for PREPA evaluation and approval.

Table 1 Submittal Register

<b>Submittal Description</b>
Work Plan, QCP, Safety Plan, Security Plan, Facility Response Plan (FRP); Spill Prevention, Control and Counter-measures Plan (SPCCP)
Barge/Airplane Plan
Transportation Plan to the project site
Emergency Notification Plan for shut down
Life Support Plan, if necessary
Emergency Evacuation Plan
Site Preparation Plan
Fueling Plan (e.g. transfer, storage, line, valves, pressure testing)
Line clearance to connect GT to an operational transformer
Black Start Generator Mfn Commissioning
Installation Plan
Pre-Commissioning Plan
Commissioning plan





AVR and Generator Protection
Operation and Maintenance Plan
Final Report

### 8.1 Deliverables

Proponents shall outline the types of deliverables and timelines they produce, in performing the services being procured through this RFP. At a minimum, the key deliverables to be provided shall include such items as:

- a. A description of the project scope, generation units, control system and electrical interconnection
- b. Schedule for scope of work to support delivery of electric power to the grid including required time for engineering/design, interconnection tie-in, and startup/commissioning, as appropriate
- c. Permitting plans and schedule
- d. Schematic drawings for the interconnection
- e. Ownership structure
- f. Typical units' characteristics including energy and mass-balance, minimum load, maximum load, ramp rates, start times, minimum down times, and any part load changes in energy cost. Performance curves, including environmental, shall be provided for part and full-load operation of the units.
- g. The price proposals shall include all costs associated with the complete installation of the units including design, procurement, construction, testing, commissioning, consumables, and operation and maintenance of the facility. The pricing proposals shall include a fixed component, as well as the O&M cost. All pricing shall be based on achieving a net equivalent availability factor of at least ninety percent (90%) for the contract term. Proponent shall include any energy cost deviations at part load operation. Costs shall be provided over the range from minimum load to maximum load. Any additional impact to cost due to starting and stopping units shall also be specified.
- h. A list of spare parts with pricing (price paid by the Contractor).
- i. PREPA will apply a penalty of 100% of the proposed daily rate for up to sixty (60) days of delays in the project schedule. Delays of more than sixty (60) days shall result in termination of the LOA.

The selected Proponent shall be required to negotiate an LOA with PREPA. The Contractor shall be responsible for all applicable taxes.

### 8.2 Mobilization/Demobilization

- a. Mobilize/demobilize materials, equipment, supplies, controls, instruments, generator(s), personnel, etc., to the site.



- b. Door-to-door transportation of the units, materials, supplies, instruments, gas, etc., to embarkation location via barge/airplane
- c. Transport materials, supplies, equipment, personnel, etc., from port/air terminal to the project site.
- d. Remove and transport the same, once the project is complete, back to stateside or original locations.
- e. Moore equipment barge, as needed.
- f. Coordinate with the port and/or airport for timely passage.

## 9. Site Preparation

- a. Photographic documentation of pre-installation condition of the critical facility, transport vehicles, life support, generator, units, etc.
- b. Coordinate with, and/or notify appropriate jurisdictions concerning permits, clearances, etc.
- c. Coordinate with PREPA to verify operational status of the substation and location of the units. PREPA point of contact (POC) to be indicated post-award.
- d. Install command posts (trailers, offices, work areas, etc.) for the Contractor and, PREPA and/or government personnel and must include phone and internet connectivity, during the contract term.

## 10. Temporary Power Installation

- a. Place units per PREPA requirements.
- b. If applicable for the technology proposed, cut, fabricate the temporary fuel line from the storage tank to the generation units and from the tank to the operational generator.
- c. Install flow meters on the generation units' fuel line.
- d. Install the temporary pump station.
- e. Construct medium voltage cable chase at least two (2) feet above ground to mitigate flooding concerns and associated damage to the terminals and other operation to the system.
- f. Install emergency notification system in the event of a shutdown
- g. Perform pre-commission of the system to verify system function as the generation units are being installed

### A. Pre-Commissioning

Perform and report completion of the following pre-commissioning tasks, as applicable to:

- a. Battery systems
- b. Control & vibration systems
- c. Ventilation and combustion air systems
- d. Turbine and hydraulic start lubrication systems





- e. Generator lubrication oil system
- f. Fuel system
- g. Fire system
- h. Turbine auxiliaries
- i. Water injection system
- j. Any other pre-commissioning tasks based on new or used units' factory requirements

## **B. Commissioning**

PREPA will accept invoices for the project upon completion of the commissioning of the units and once the units are in successful operation. PREPA will pay on a monthly, leasing basis, and will not prepay costs associated with mobilization or demobilization.

- a. Perform commissioning on the installed system per manufacturers' requirements to include:
  - 1. Manual start-up and stop
  - 2. Emergency notifications sent to Site Management Team in the event of shut down mode
  - 3. Verify voltage, wattage, frequency per the following:
    - net power output of not less than 20 MW
    - Frequency 60 Hz
    - Low voltage connection for transformers at PREPA sites of 13.8 kV
- b. Revisit unit functional needs until criteria is met.
- c. Provide the following information to PREPA regarding protective relays:
  - 1. Copy of the Protective Relay Study and its settings for the proposed mobile power system.
  - 2. Mobile power system protective relay settings criteria.
  - 3. Grant access to PREPA to protective relay events.
  - 4. Access to mobile power system proprietary software/program to allow communication with relays.
  - 5. Mobile power system unit data sheet.
  - 6. Protective relay single line diagram for the integration to PREPA's protection system. Such single line diagram shall be discussed with and approved by PREPA's Electrical Maintenance and Electric System Protection Division.
  - 7. The Contractor shall be responsible for the entire wiring and testing of their protective relay system. PREPA shall be responsible for their protective relay system within its transformer and substation.
  - 8. The Contractor shall share the temporary generation units' technical information (and any other applicable information) with PREPA to determine fit of protective relays and install per PREPA requirements.



9. The Contractor shall provide a generation demand multifunction meter. The generation demand multifunction meter can be installed or provided in the mobile power unit's control room.
10. The Contractor shall provide PI server data and capability of transmission to PREPA of actual Megawatts, Megavars, Frequency, RPM, turbine operation mode.
11. The Contractor shall provide a power unit operation procedure, specific to each site operations, including all start-up, synchronizing and black start sequences for interconnection to PREPA's grid.
12. Protective Systems Specifications are included as Appendix C.

### **11. Final Walk Through**

Once Commissioning is complete, [PREPA/Contractor] shall perform a final walk through with applicable stakeholders to verify completions of system per scope requirements.

### **12. Operation and Maintenance (O&M)**

- a. The Contractor shall ensure spare parts are on hands and the system operates without interruption
- b. The Contractor shall be prepared to provide the following real time data to PREPA's Monacillo Dispatch for the duration of O&M.
  1. Power output
  2. MVAR
  3. Gas turbine and generator RPM o Other parameters determined appropriate

### **13. Site Restoration**

Restore site to pre-existing conditions to include the following:

- a. Remove unit, barriers, emergency notification system from the site and transport back to the place of leasing
- b. Remove signs and posts

### **14. Final Report**

Provide Final Report, including executive summary, chronology and descriptions for work completed, etc.

### **15. Proposal Assumptions**

The Proponent shall incorporate the following assumptions into their proposals to maintain consistency. Actual quantities/criteria may vary during the construction and verification of assumptions will be made throughout project execution.

Any existing fuel storage tank can be used as a temporary power fuel storage tank and it meets API standards. It can be used as is and no repairs are needed.



- a. Medium voltage and control wiring will be installed over head and not on the ground due to safety concerns
- b. The Contractor shall provide pricing for leasing the units, including control systems, wiring, appurtenant devices, etc.
- c. For fuel burning generation, cutting the existing fuel line to create passage to the temporary generation unit site is needed and fabricating fuel conveyance piping to the generation unit and operational PREPA generator is required.
- d. The Contractor shall provide a first aid competent representative to support basic health needs (e.g. small cuts, surficial burns).
- e. Assume unarmed security at the sites power station is required twelve (12) hours per day during installation. During O&M, assume ten (10) hours of operator on-site time and 14 hours of unarmed security. The Contractor will respond to resolve any operating issues is required within two (2) hours of outage.
- f. No utilities will be identified within the described work zones or will be impacted throughout this work.
- g. No temporary access road improvements will be needed for the execution of this work.
- h. The Evacuation Plan will include required protocols once understood in the submittal item post-award.

Assume the connection point is the 13.8 kV side of these transformers and the Contractor will have to provide a line connection plan to integrate with a transformer that currently operational.

## **16. Proposal Requirements, Evaluation and Selection Process**

The intent of the RFP is to encourage responses to fulfill PREPA's requirements and clearly communicate its approach to successfully provide the services. PREPA will examine all proposals in a proper and timely manner to determine if they meet the proposal submission requirements. Proposals that do not meet the submission requirements or have omitted material documents must be rejected. All proposals submitted before the closing date and time of the RFP will be evaluated.

During each proposal meeting, the Evaluation Committee will independently evaluate all submission requirements. The Evaluation Committee will assign a score for each evaluation criterion listed below in this Section up to the maximum points, unless they are determined to be non-responsive according to the intent of the RFP.

PREPA reserves the right to require additional information or clarifications after the proposals' due date to assist the Evaluation Committee in gaining additional understanding of the proposal.

### **16.1 Proposal Requirements**

All proposals shall address the following items in the exact order listed below. Proponents must upload the requirements requested herein with a section table of contents containing the titles of the following subsections and the page numbers



where the subsections are located. Proponent is responsible for including evidence or information of all the submission requirements of this RFP. The Evaluation Committee will only take into consideration for the evaluation process the information provided by the Proponents in their proposal.

Minimum Requirements:

**1. Project Delivery Schedule:**

- a. Shall provide a proposed project schedule (Critical Path Method) based on continuous work with key and critical tasks for the proposed due date.
- b. Shall submit a description of the proposed working plan, including working methods, logistics, list of resources (manpower and equipment), permitting process, and subcontractors, if any.

**2. Offeror's Experience:**

- a. Shall submit a brief description of the firm, including firm name, address, phone number, email address and authorized primary contact person; brief firm history, including the current permanent staff size as well as local organization structure.
- b. Shall provide evidence of applicable past experience and performance related scope projects for the principal firm and any subcontractors. The subcontractor's role on the project shall be clearly established.

**3. Financial Capacity: Proponent must provide the following for the entity that is proposed to guaranty the transaction on an initial and on-going basis:**

- a. The Proponent shall provide the latest documentation or reports from any rating agencies or debt analysis entities on the contracting entity (or guarantor). PREPA reserves the right to use its available credit evaluation tools to evaluate financial capacity of the proponent.
- b. Provide information regarding the firm's financial stability, capacity and resources.
- c. Provide a statement confirming awareness of PREPA's standard payment term of net sixty (60) days upon approval of invoice and supporting documents.
- d. Shall provide a Surety Bond-ability Letter establishing that the Proponent has been underwritten with sufficient bonding capacity and approved by a surety company to perform this project. This letter shall include a power of attorney. Proponent must ensure that their bonding company provides the bonds required endorsed in Puerto Rico.



#### 4. Price and Performance Proposal

##### A. Required Data

Fixed Capacity Price (stand by; price for lease, operation and maintenance)	\$	Per month for a 12-month LOA
Fixed Capacity Price (stand by; price for lease, operation and maintenance)	\$	Per month for a 9-month LOA
Fixed Capacity Price (stand by; price for lease, operation and maintenance)	\$	Per month for a 6-month LOA
Fixed Capacity Price (stand by; price for lease, operation and maintenance)	\$	Per month for a 3-month LOA
Unit Dispatch Cost Price (full load)	\$	Per MWh for a 12-month LOA
Unit Dispatch Cost Price (full load)	\$	Per MWh for a 9-month LOA
Unit Dispatch Cost Price (full load)	\$	Per MWh for a 6-month LOA
Unit Dispatch Cost Price (full load)	\$	Per MWh for a 3-month LOA
Guaranteed net output per unit		MW
Heat Rate (LHV)		BTU/kW-hr
Guaranteed annual units equivalent availability factor		%
Units minimum load		MW
Ramp Rate		Minutes/MW
Price of the Generation Unit*	\$	Per Unit

*\*This information is required for cost reasonableness analysis pursuant to 2 CFR § 200.404*

PREPA reserves the right to require additional (supplemental) information after the proposals' due date, for evaluation purposes. Proponents shall provide such information within three (3) calendar days after PREPA's notification and request.

##### B. Delivery and installation time (30 points)

Proposals must include a high-level project schedule and timeline identifying equipment delivery date, construction of needed local infrastructure, commissioning and commercial operation date starting from the Notice to Proceed issuance. Assume construction permits and environmental permits/waivers are available for the purposes of the requested schedule. Proposals with a shorter delivery and installation time will be favored compared to those who need more time or whose responses are vague.



PREPA will score the proposals based on a weighted percentage, up to a maximum of thirty (30) points for the soonest availability for dispatch of the proposed generation.

### **C. Price Proposal (30 points)**

PREPA will evaluate the proposals' price based on a Levelized Cost of Energy (LCOE) formula using the net present value. Proposed units' performance parameters such as low heat rate (LHV) and net capacity shall be included in the proposal to be used for the LCOE calculation, along with the term of the initial LOA and a 90% capacity factor. Price proposals must include a monthly fixed capacity price, including only lease and fixed operation and maintenance, and unit dispatch price (per MWh) for variable O&M (and fuel if self-supplying) as separate line items.

For the LCOE, the price component will be based on the following combination: 90% unit dispatch price and 10% fixed capacity.

PREPA will score the proposals based on a weighted percentage, up to a maximum of thirty (30) points for the lowest LCOE.

### **D. Experience and Capacity (20 points)**

Proponents must demonstrate experience and success installing and maintaining fast-track utility power generation unit(s) projects of at least five (5) years. Proponents shall demonstrate experience and success in fabricating, installing, testing, and commissioning the proposed solution. Proponents that demonstrate that the proposed solution can be dispatched in the required times than specified be favored compared to those who need more time, or whose responses are vague.

As proof of the Proponent's experience, it:

1. Shall submit an abbreviated history of firm.
2. Shall provide evidence of applicable experience and performance in at least two related scope projects within the past five years. Proposals shall include letters of recommendation and references from past projects where the proponent successfully completed within the required time of installation.
3. Shall provide qualifications and resumes of experienced key personnel (project manager, engineers, supervisors, etc.) of the proponent with at least ten (10) years of experience in similar projects.
4. Shall provide qualifications and resumes of experienced key personnel (project manager, engineers, supervisors, etc.) of the installation and/or operation and maintenance subcontractors (if any) with at least five (5) years of experience in similar projects.

### **E. Approach and Methodology (20 points)**

Proposals that outline a clear and straightforward approach to providing fast track generation projects will receive higher scores (PREPA's expected timeline for execution of the project). Proponents shall identify key goals and objectives, and methods for providing the facilities



described herein or exceeding these goals. Proponents shall explain how they will be organized to effectively deploy support for this project and clearly identify key personnel responsible for implementing the project.

Proposals will explain the approach to completing the project within the given construction dates and site constraints, include a summary-level Critical Path Method (CPM) schedule detailing all aspects of the project, and include a detailed assessment and response to the site condition restraints.

Proponents shall outline a clear and straightforward approach and demonstrated commitment to accomplishing the schedule goal of completing the project in the least possible time. Proponents shall identify key goals and objectives, and methods for achieving high standards for the delivery of services, in expectation of meeting or exceeding these goals.

Proponents shall describe in detail the methods it will utilize to accomplish the duties at the site, and provide sketches or illustrations to explain the approaches, if necessary. This approach will include:

1. Demonstrating a clear and thorough interpretation and acknowledged assimilation of the project work scope as described herein and that are part of this RFP.
2. Satisfactorily demonstrating how the duties will be staged to minimize impacts to PREPA operations.
3. Presenting a clear and logical approach for the efficient performance of all work tasks across the proponent's entire project team.
4. Describing how the proponent's submitted milestone schedule demonstrates a clear understanding and integration of all the interrelated duties.
5. Describing how the proponent intends to address and mitigate adverse environmental materials.
6. Providing a specific and project-proven approach and plan for effective Quality Assurance/Quality Control across the Proposer's Project Team.
7. The Proposer's outline plan and commitment to safety.

#### **F. Commitment to Complying with all Applicable Federal, and Puerto Rico Regulations**

The Proponent shall submit a detailed written description of the Federal and Local process, with specific plans for permitting success. The Proponent must demonstrate an understanding of Federal and local requirements.

#### **G. Proposal Additional Content**

Proponents must upload the requirements requested in this section in the exact order (consecutive) established herein and provide a section table of contents with the following subsection titles and the page numbers where the subsections are located.

##### **a. Cover Letter and Table of Contents**



The Proponent must provide a cover letter that includes a certification that the information submitted and the Proposal is true and accurate, and that the person signing the cover letter is authorized to submit the Proposal on behalf of the Proponent. The cover letter must clearly identify the designated contact person for the engagement and provide the telephone number and email address of the contact person.

The Proposal must contain a table of contents that clearly identifies the location of all material within the proposal by section and page number.

**b. Local Parties**

Explain how the Local Party(ies) will add value to the team and their expected role. Identify the Key Individuals from the Local Party(ies) and provide an indication of the expected level of involvement on the day-to-day activities and interaction with PREPA.

**c. Commitment to Complying with all Applicable Federal and Puerto Rico Local Regulations**

Proponents shall explain their adherence to complying with all applicable Federal and Puerto Rico regulations, including those related to Public Assistance and 2 CFR Part 200 and required LOA provisions, and shall indicate what characteristics of the team set them apart in terms of commitment to comply with all laws and requirements. Proponents must also indicate what specific trainings and expertise reside within the team that reinforces the commitment to compliance. Adherence to strong ethical and integrity practices and unequivocal commitment to solid administrative practices is essential for PREPA.

**d. Draft LOA**

Proponents must upload a copy of the LOA in Word format and identify (redline), if any, exceptions to the terms and conditions and suggest proposed modifications to the specific LOA language with which the proponent disagrees or for which proponent is unable to satisfy the condition or requirement, including an explanation of the revision. If Proponent agrees with all terms and conditions of the LOA and understands that it can comply with all of the conditions and requirements of the LOA, a written acknowledgement of the acceptance must be included as a cover letter to the uploaded LOA.

**e. Supplementary Information**

Proponents may provide supplementary facts as they consider may be of assistance in the evaluation of their proposals.





#### **f. Requirement of Legal Entities**

Proponents that are corporations, partnerships, or any other legal entity, U.S. or Puerto Rico based, shall be properly registered or capable to be registered or capable and willing to registered to do business in Puerto Rico and the U.S. at the time of the submission of their proposals, and comply with all applicable Puerto Rico or U.S. laws and/or requirements. The Selected Proponent must be part of PREPA's Supplier Registry in order to execute an LOA.

Proponent must submit evidence that the firm is duly and properly organized and is qualified to conduct business in Puerto Rico or provide a statement confirming that the Proponent will be duly organized and qualified prior to LOA award, if selected.

Additionally, the Proponent must provide a sworn statement per Act 2-2018, regarding the Anti-Corruption Code for Puerto Rico. See Appendix D.

#### **g. Required Qualifications of Proponents**

Proponents shall provide information in their proposals that demonstrates the following qualifications:

- i. Proponent has evidence of satisfactory performance record.
- ii. Proponent has a satisfactory record of integrity and business ethics.
- iii. Proponent has the necessary organization, experience, accounting and operational controls, and technical skills.
- iv. Neither Proponent nor any person or entity associated who is partnering with Proponents has been the subject of any adverse findings that would prevent PREPA from selecting Proponent. Such adverse findings include, but are not limited to, the following:
  1. Negative findings from a Federal Inspector General or from the U.S. Government Accountability Office, or from an Inspector General in another state.
  2. Pending or unresolved legal action from the U.S. Attorney General or from the U.S. an attorney general in Puerto Rico or another state.
  3. Arson conviction or pending case.
  4. Harassment conviction or pending case.
  5. Puerto Rico and Federal or private mortgage arrears, default, or foreclosure proceedings.
  6. In rem foreclosure.
  7. Sale tax lien or substantial tax arrears.
  8. Fair Housing violations or current litigation.
  9. Defaults under any Federal and Puerto Rico-sponsored program.



10. A record of substantial building code violations or litigation against properties owned and/or managed by Proponents or by any entity or individual that comprises Proponents.
11. Past or pending voluntary or involuntary bankruptcy proceeding.
12. Conviction for fraud, bribery, or grand larceny.

**17. Proposal Format and Submission Requirements**

Proponents must upload their entire proposal on the tab Number 2. Upload Documents of Power Advocate©. The Proposal must include a summary table, indicating the section and page number where the proposal meets the criteria stated below. In addition, Proponents must upload the requirements in the indicated tab in each section. Non-compliance may affect the score of the proponents.

Proponents must format their proposal as follows:

1. Cover Letter and Table of Contents
2. Local Parties
3. Commitment to Complying with all Applicable Federal and Puerto Rico Local Regulations
4. Draft LOA
5. Supplementary Information
6. Requirement of Legal Entities
7. Required Qualifications of Proponents

**18. Scoring Criteria**

The Evaluation Committee will independently evaluate each proposal meeting all submission requirements stated above, and will assign a score for each evaluation criterion listed, up to the maximum points.

<b>Criteria</b>	<b>Percentage of Total</b>
<i>Delivery and installation time</i>	30%
<i>Price Proposal</i>	30%
<i>Experience and Capacity</i>	20%
<i>Approach and Methodology</i>	20%
<b>Total</b>	<b>100%</b>

The LOA will be awarded to those qualified and experienced companies whose proposals, conforming to this RFP, are in accordance with its intent and substantially comply with the established requirements herein.

The Evaluation Committee may choose to reconsider proposals with marginal scores.

The criteria will be graded using a score of 0 to 5:



- 0 = Information in the proposal was not applicable to the criteria, or was omitted.
- 1 = Poor. For example, representing that the criteria presented in the proposal does not meet PREPA requirements.
- 2 = Below Average, negative or disagree. For example, representing that the criteria presented in the proposal is judged to meet most of the requirements.
- 3 = Average, or neutral. For example, criteria judged as meeting all the minimum requirements set by PREPA.
- 4 = Good, positive, or agree. For example, all criteria met and improved when compared to PREPA expectations
- 5 = Excellent, very positive, or strongly agree. For example, representing that the criteria in the proposal best meets the requirements set by PREPA, above all other proposals.

Proponents must clearly describe how they best comply with the standards set, as the Evaluation Committee will judge how a proposal specifically answers the criteria stated in this RFP. Scores shall be higher for specific compliance findings and be lower for general or ambiguous answers.

**19. Sites Visits Schedule**

PREPA has scheduled visits to the locations included in Appendix A to show the available spaces, access, and electrical and mechanical interconnection points. These are the only visits programmed for this phase of the RFP process as this project is time-sensitive. Access will not be granted to these PREPA facilities on any other dates and times than those established below. Proponents are not required to join the site visits in order to submit a proposal for any specific site, but participation in these visits are strongly recommended.

Participants interested in visiting more than one of the sites shall make arrangements with their own personnel since visits to some of the locations are scheduled for the same date and time. Participants shall present a government issued identification (such as a driver's license) and wear all required safety gear to be granted access to these locations, including, but not limited to, hard hat, safety shoes, safety glasses, hearing protection, and reflective vest. Access to the sites will be denied to those not fully complying with the safety gear requirements. TWIC card holders are encouraged to bring their cards, although these are not required for access.

<b>Location</b>	<b>Date</b>	<b>Time</b>
Palo Seco Power Plant	March 18, 2020	1:00pm
San Juan Power Plant	March 18, 2020	3:00pm
Cambalache Power Plant	March 19, 2020	9:00am
Vega Baja Power Station	March 19, 2020	12:30pm
Aguirre Power Plant	March 19, 2020	8:30am
Jobos Power Station	March 19, 2020	10:30am
Daguao Power Station	March 20, 2020	8:30am



Yabucoa Power Station	March 20, 2020	10:30am
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Those interested in joining the site visits shall be at the access gate 20 minutes before the scheduled time. No access shall be allowed after the facility walkaround begins.

## 20. Local Participation

Pursuant to Law Number 42 of January 21, 2018, as amended, PREPA requires Proponents to engage local contractors, professionals and relevant service providers headquartered in Puerto Rico (“Local Parties”) as Team Members and Key Individuals to the greatest extent possible.

Proponents are strongly encouraged as part of this RFP to provide descriptions of their current and/or anticipated business arrangements with Local Parties and, in particular, Local Parties who are Team Members and Key Individuals for the Project, as applicable.

## 21. Interview

PREPA reserves the right, at its sole discretion, to require Proponents to participate in interviews with the Evaluation Committee. If PREPA elects to conduct interviews, each qualified Proponent will be required to give a strictly timed 30-minute presentation. This presentation shall highlight expertise and prior qualifications provided to similar organizations. The presentation shall also clearly explain the Proponent’s approach and entire team composition. The Evaluation Committee may alter the scoring of corresponding criteria of a qualified Proponent’s proposal based upon the presentation. Proponents are solely responsible for all costs or expenses incurred to attend and participate in the interview process.

## 22. Confidentiality of Responses & Proprietary Information

Upon completion of the RFP process, PREPA will make public its report regarding the procurement and selection process, which shall contain certain information related to this RFP process, except trade secrets and proprietary or privileged information of the Proponents. Information considered trade secrets or non-published financial data might be classified as proprietary by the Proponents. In order to ensure that documents identified by Proponents as confidential or proprietary will not be subject to disclosure by PREPA, Proponents are required to submit a Redacted Copy of their proposal. The Redacted Copy must include a written explanation of why such labeled documents are confidential or proprietary, including why the disclosure of the information would be commercial harmful, specifically refer to any legal protection currently enjoyed by such information and why the disclosure of such information would not be necessary for the protection of the public interest, and request that the documents so labeled be treated as confidential by PREPA. PREPA reserves the right to make public the redacted copies of the proposals at the conclusion of the RFP process. If a Redacted Copy is not submitted by a Proponent, PREPA will assume that the original copy of the proposal can be made public. Proposals containing substantial contents marked as confidential or proprietary may be rejected by PREPA. Provision of any information marked as confidential or proprietary shall not prevent PREPA from disclosing such information if required by law. The ultimately awarded LOA(s) and all prices set forth therein shall not be considered confidential or proprietary and such information may be made publicly available.



### **23. Conflicts of Interest**

The award by PREPA of each LOA under this RFP shall preclude the Selected Proponent (or if a consortium, each member of the Selected Proponent consortium) from participating in the procurement by PREPA of new generation under any other RFP issued by PREPA during the LOA Term of such LOA.

Proponents are required to provide a list of any other current or former advisory LOAs the firm has/had with any Government Entity, or which bear any direct or indirect relation to the activities of the Government of Puerto Rico. Further, Proponents must provide a description of any recent historical or ongoing legal proceedings, interviews or investigations being conducted by any U.S. law enforcement agencies involving their firm or team that are related to transactions executed in or on behalf of the Government of Puerto Rico and/or its public corporations. In addition, Proponents must provide a brief description of any work it has performed for any creditors or guarantors of the Government of Puerto Rico or any public corporation debt about their positions in Puerto Rico debt obligations. The Proponent must indicate whether this activity is ongoing, and if not, when the prior assignment concluded.

At some point in the selection process, PREPA may request information on any perceived conflict of interests. Also, PREPA may in the future request a list of direct or indirect relationships the firm or its professionals have to members of the Puerto Rico Public-Private Partnerships Authority (PPPA) or board members or executives of other Public Corporations.

The mere appearance of a conflict of interest shall constitute sufficient cause for the outright rejection of a proposal(s). PREPA reserves the right to cancel any LOA awarded pursuant to this RFP with thirty (30) days' notice in the event that an actual conflict of interest, or the appearance of such conflict, is not cured to PREPA's satisfaction.

### **24. Rejection of Submittals; Cancellation of RFP; Waiver Informalities and Withdrawal of Response**

Issuance of this RFP, or selection of a Proponent for LOA negotiations, does not constitute a commitment by PREPA to award the LOA. PREPA reserves the right to accept or reject, in whole or in part, and without further explanation, any or all responses submitted and/or cancel this solicitation and reissue this RFP or another version of it, if it deems that doing so is in the best interest of the impacted communities or the Government of Puerto Rico.

PREPA reserves the right to waive any informalities and/or irregularities in a response if it deems that doing so is in the best interest of the impacted communities or the Government of Puerto Rico.

A Proponent may withdraw a proposal at any time up to the closing date and time of the RFP by deleting the documents they have uploaded to PowerAdvocate, or by submitting their intent to withdraw, in writing and addressed to PREPA's Head of Supply Chain (Chief of Procurement), Neftalí González Cruz, through the Messaging Tab before the closing date and time of the RFP.

### **25. Ownership of Submittal**



All materials submitted in response to this RFP shall become the property of PREPA. Selection or rejection of a submittal does not affect this provision.

## **26. Cost of Preparing Responses**

All costs associated with the response to this proposal are the sole responsibility of the Proponent.

## **27. Errors and Omissions In Responses**

PREPA reserves the right to reject a response that contains an error or omission. PREPA also reserves the right to request correction of any errors or omissions and/or to request any clarification or additional information from any Proponent, without opening up clarifications for all Proponents.

## **28. Insurance – Proof of Coverage**

### **28.1 Insurance**

Proponent shall submit along with its Proposal, a Bid Bond, included as Appendix E, of not less than ten percent (10%) of the total price of the Proposal. This Bond will be issued in favor of PREPA by an insurance company that is authorized to do business in Puerto Rico. The Bond may not have a duration of less than ninety days (90) days, securing the validity of the proposal for such term. Proposals that do not include this security will be rejected. If there is an extension of the ninety (90) day term, Proponent will be responsible for keeping the Bid Bond in effect. Proposals that fail to meet this requirement will be rejected outright and the bid will be deemed to be non-responsive.

The Selected Proponent shall obtain and maintain in full force and effect during the contract term and thereafter as provided herein, policies of insurance covering all operations engaged in by the LOA, which shall be formally agreed with insurance companies authorized to do business in Puerto Rico, and to that effect it shall provide in original certificates of insurance and endorsements, as follows:

- a. **Workmen's Compensation Insurance:** Proponent shall provide and maintain Workmen's Compensation Insurance as required by the Workmen's Compensation Act of the Commonwealth of Puerto Rico. Proponent shall also be responsible for the compliance with said Workmen's Compensation Act by all his subcontractors, agents, and invitees. Proponent shall furnish PREPA with a certificate from the State Insurance Fund showing that all personnel employed in the works under the LOA are covered.
- b. **Employer's Liability Insurance:** Proponent shall provide and maintain Employer's Liability Insurance with minimum bodily injury limits of at least \$1,000,000 for each employee and \$1,000,000 for each accident covering against the liability imposed by law upon the Proponent as a result of body injury, by accident or disease, including death arising out of and in the course of his/her employment outside of and distinct from any claim for Workmen's Compensation Act of the Commonwealth of Puerto Rico.
- c. **Commercial General Liability:** Proponent shall provide and maintain a Commercial



General Liability Insurance with minimum limits of at least \$10,000,000 per occurrence and \$10,000,000 aggregate. Such insurance shall include specific coverage for contractual liability, "XCU" explosion, collapse and undergrounds damages coverage, products and completed operations liability.

- d. Automobile Liability Insurance: Proponent shall provide and maintain Automobile Liability Insurance with bodily injury and property damage combined single limits of at least \$1,000,000 per accident covering all owned or schedule autos, non-owned or hired autos.
- e. Professional Liability Insurance: Proponent shall provide and maintain a Professional Liability Insurance with minimum limits of at least \$1,000,000 per claim and \$1,000,000 aggregate.
- f. All Risk Physical Damage Property Insurance: Proponent shall maintain an All Risk Physical Damages Property Insurance, including machinery coverage, to cover all real and personal property of the Proponent (including earthquake and hurricane occurrence) to one hundred percent (100%) of replacement cost. This policy shall include a Business Interruption and Contingent Business Interruption coverage. This insurance shall cover work at the site and shall also cover portions of the work located away from the site and portions of the work in transit. The policy shall include as insured property scaffolding, false work, and temporary buildings located at the site.
- g. Equipment Breakdown Policy (Boiler & Machinery): Proponent shall maintain an Equipment Breakdown Policy to cover all equipment and machinery property of the Proponent. PREPA shall be named Additional Insured under this Policy.
- h. Builder's All Risk Insurance: Proponent shall provide and maintain a Builder's All Risk Insurance which shall cover the full replacement cost of all work and all equipment used in the course of installation, testing and commissioning at the site, and all equipment and materials delivered and stored at the site, and all equipment and materials delivered and stored at the Job Site which have to be used in the work or incorporated into the Facility. PREPA shall be named Additional Insured under this Policy.

## 28.2 Requirements under the Policies

The Commercial General Liability Insurance and Automobile Liability Insurance required under the LOA shall be endorsed to include:

- a. As additional insured:  
  
Puerto Rico Electric Power Authority  
Risk Management Office  
PO Box 362467  
San Juan, PR 00936-4267
- b. A thirty (30)-days cancellation or nonrenewable notice to be sent by certified mail with return receipt to the above address.
- c. An endorsement including the LOA under contractual liability coverage and identifying





- it by number, date and the Parties.
- d. Waiver of Subrogation in favor of PREPA.
  - e. The Breach of any of the Warranties or Conditions in these policies by the Proponent shall not prejudice PREPA's rights under this policy.

### **Bonds**

Proponent shall furnish at any time before the execution of the Contract:

A Performance Bond in the amount of one hundred percent (100%) of the contract price, with good and sufficient surety satisfactory to the Authority guaranteeing that the contractor will well and faithfully perform the contract work within the time specified.

A Payment Bond in the amount of one hundred percent (100%) of the contract price, with good and sufficient surety satisfactory to PREPA to guarantee the prompt payment of all labor, supervision, equipment and materials required in the performance of the work.

All bonds shall be presented to PREPA before commencement of any work and shall be executed in the required official form of PREPA.

Work shall not commence until all insurance requirements have been met and certificates thereof have been filed with the Chief Procurement Officer.

Proponent must ensure that their Bonding Company provides the bonds required herein endorsed in Puerto Rico.

### **29. Payment Terms & Method Of Payments**

The payment provisions will be defined in the LOA which PREPA expects will be negotiated and executed with the Selected Proponent(s). Notwithstanding the foregoing, PREPA's standard payment term is net sixty (60) days upon approval of invoices and supporting documents. Invoicing for this Project will commence upon the commissioning and successful operation of the units.

### **30. Process Rules & PREPA's General Instruction RFP Guide**

This process will be regulated and executed according to Exhibit B "GUIAS PARA PROCESOS DE ADQUISICIONES DE BIENES Y SERVICIOS A TRAVES DE RFP EN LA AEE V006032016 (Request for Proposals)". Please see the Download Documents tab for this Guide.

Proponents shall certify compliance with Section 4.17 of the "GUIAS PARA PROCESOS DE ADQUISICIONES DE BIENES Y SERVICIOS A TRAVES DE RFP EN LA AEE V006032016".

### **31. Attachments and Appendices**





## Appendix A – Sites for Temporary Generation



## Appendix B – Low Sulfur Fuel (diesel) Specifications



## Appendix C – GT Protection Requirements



**Appendix D – Act 2-2018 Sworn Statement Anti-Corruption Code**



## Appendix E – PREPA Bid Bond Form



## Appendix F – Request for Clarification Form



**Exhibit 1 - Lease & Operating Agreement for Dual-Fuel Generation**



**Exhibit 2 - Lease & Operating Agreement for Renewable Energy and Battery Storage  
Generation**





## Exhibit 3 – PREPA's RFP Guide

