



**INVITATION FOR MULTI-STEP BID**

**GPA-034-18**

**BUILD, OPERATE & TRANSFER CONTRACT FOR 120-180MW  
OF NEW GENERATION CAPACITY  
STEP 1 - REQUEST FOR QUALIFICATIONS**

**JANUARY 2018**

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## Table of Abbreviations

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|     |                            |
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| BOT | Build, Operate, Transfer   |
| GPA | Guam Power Authority       |
| IPP | Independent Power Project  |
| IFB | Invitation for Bid         |
| RFQ | Request for Qualifications |

## 1 Project Information

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### 1.1 General

The Guam Power Authority (GPA) hereby invites interested qualified firms and consortia (“Bidders”) to participate in a Multi-Step Bid process by submitting qualification information for the right to bid for the development of a power generation project including all support facilities (the “Project”), on a Build, Operate, Transfer (BOT) basis and to provide electricity to GPA under a 25-year energy conversion agreement (“ECA” or the “Contract”).

### 1.2 Procurement Process

The qualified Bidders shortlisted as a result of this prequalification process will be requested to submit a proposal for the Project in response to an Invitation for Multi-Step Bid (IFMSB) to be issued by GPA to such qualified Bidders.

This bid shall be composed of a Three Step process.

- Step One is the period from this Request for Qualification (RFQ) announcement through Notification of Qualified Bidders. This step will establish a Qualified Bidders List (QBL) based on acceptable submitted Technical Qualification Proposals.
- Step Two is the period from Invitation for Multi-Step Bid (IFMSB) provided to the bidders identified on the QBL to submission of Priced Proposals.
- Step Three is the period from the start of evaluation of submitted Priced Proposals to the date of issuance of the letter of award and invitation to negotiate the Contract to the first ranked Bidder.

English is the official language of Guam. As such, Bidders should submit all of their bid documents, any accompanying documents, in English. Any bids not submitted in English will be designated as “Unacceptable” and will not qualify for the QBL.

Any prospective Bidder desiring an explanation or interpretation of the Request for Qualification (RFQ), etc., must make a request in writing to the GPA Procurement Office at the mailing address or the email address listed below, referencing the Invitation for Multi-Step Bid No. GPA-034-18.

ATTENTION: JOHN M. BENAVENTE, P.E.  
GENERAL MANAGER  
GUAM POWER AUTHORITY  
POST OFFICE BOX 2977  
HAGATNA, GUAM 96932-2977

ATTENTION: SUPPLY MANAGEMENT ADMINISTRATOR  
EMAIL: [jpangelinan@gpagwa.com](mailto:jpangelinan@gpagwa.com)  
PHONE: (671) 646-3054/55  
FAX: (671) 648-3165.

All inquiries must be received by GPA Procurement no later than the Cut-Off Date for Receipt of Questions indicated below in Table 1, Paragraph 1.4. Any oral explanations or instructions given by GPA to prospective Bidders will not be binding. GPA will promptly furnish any information given to a prospective Bidder concerning this RFQ to all parties recorded by the Procurement Officer as having received the RFQ. This information may be provided as an amendment to the RFQ if that information is necessary in submitting bids or if the lack of it would be prejudicial to other prospective Bidders. In addition, Bidders may also make this request by writing to the GPA Supply Management Administrator at: [jpangelinan@gpagwa.com](mailto:jpangelinan@gpagwa.com).

Any amendment, modification or addendum issued by the Guam Power Authority, prior to the closing of the qualification submittals of this IFB, for the purpose of changing the intent of the Technical Qualification Requirements, clarifying the meaning or changing any of the provisions of this RFQ, shall be binding to the same extent as if written in the originally issued RFQ documents. Any addendum issued will be made available to all Bidders via mail, fax, e-mail or posting to the GPA Website. The Bidders shall acknowledge receipt of the amendment by a signature on one copy, which is to be returned to GPA at the mailing address, email address, or FAX number below.

Bidders shall bear all costs associated with the preparation and submission of their bid submittals or proposals. GPA will not be responsible or liable for those costs, regardless of the outcome of the IFB process.

### **1.3 Project Scope**

The Project will consist of a power generating facility with capacity of approximately 120-180 MW net at site reference conditions to be specified in an IFB to be issued to Bidders on the QBL.

The Project will provide efficient, reliable and least cost baseload capacity. Baseload capacity is herein defined as firm capacity that can provide power output twenty-four hours per day, three hundred and sixty-five days per year with minimal interruptions for maintenance.

The Bidders will select the power generating technology for the Project, consistent with the requirements to be set forth by GPA in the IFB.

GPA is in the process of acquiring property near the Harmon substation in Dededo, Guam of more than twenty-five acres that is the preferred location for the generating plant.

#### **1.3.1 Project Schedule**

The desired commercial operation date for the Project is December 31, 2021 or 30 months after the notice to proceed. GPA may decide to require the Project to be constructed in phases. In that case the Project phases and their desired commercial operation dates will be defined in the IFB.

### **1.3.2 Power Evacuation**

Power will be evacuated via either a 115 kV transmission line connected to an existing GPA substation. The transmission line and modifications to the existing substation will be designed and constructed by the selected Bidder and transferred to GPA at no cost after the commercial operation date.

### **1.3.3 Environmental Requirements**

The Project will be required to meet all applicable U.S. EPA and Guam EPA standards and regulations, all applicable federal and local regulations and requirements to safeguard environmental, natural and cultural resources, and Bidder will be responsible for obtaining all permits, licenses, and approvals (whether environmental or otherwise) necessary to build, own, and operate the Project.

## **1.4 Bid Schedule**

The following is the bid process schedule for the STEP 1 – REQUEST FOR QUALIFICATIONS of this Multi-Step IFB. Bidders that are deemed qualified will be provided the Technical Documents which include the additional bid schedule milestones for Steps 2 and 3 of this Multi-Step IFB.

Table 1 – STEP 1 RFQ Bid Schedule Milestones

| <b>Bid Process Milestones</b>                               | <b>From Date</b>         | <b>To Date</b> |
|---|--------------------------|----------------|
| Bid Announcement  | 1/16/2018                |                |
| Vendors Submit Questions                                    | 1/16/2018                | 2/15/2018      |
| <b>Cut-Off Date for Vendor Question Submittals</b>          | 2/15/2018                |                |
| GPA Review and Answer Questions                             | 3/1/2018                 |                |
| <b>Cut-Off Date for Receipt of Qualification Submittals</b> | 3/22/2018 @ 4:00PM, CHST |                |
| Evaluation of Qualification Submittals                      | 3/23/2018                | 4/6/2018       |
| Notification of Qualified Bidders                           | 4/7/2018                 |                |

## 2 Bidder Qualification

For a Bidder to qualify for QBL, the qualifications submission must contain information in sufficient detail to allow GPA to assess the Bidder's ability to develop the Project in compliance with the requirements established by GPA. The following will be used in determination of qualifications:

- a) The Bidder can be a single entity (company, corporation, or unincorporated association) or can be a team of multiple members (consortium, joint venture) with joint and several responsibilities. **After a Bidder has been short-listed, the membership structure used to qualify may not be changed without prior written approval of GPA.**
- b) For determining the experience and technical capability of a consortium, the experience and technical capability of each member shall be combined for evaluation. However, the experience and resources of Bidder's subcontractors shall not be considered in determining the Bidder's compliance with the qualification criteria.
- c) Each member is required to provide its financial capability separately for evaluation.
- d) Bidder's financial capacity will be judged on the basis of its net worth, working capital, profitability, and bonding capacity. The Bidder must demonstrate that it will be able to access and provide sufficient project equity and debt financing as well as working capital for the execution and construction of the Project, including security deposits to back performance guarantees during both the construction and operations and maintenance period.
- e) Bidders' qualifications will be evaluated on the basis of a PASS-FAIL approach.
- f) A short-listed Bidder is one, who in GPA's opinion, meets or exceeds the qualification criteria listed herein below. The following table shall be filled in by each Bidder **supported by sufficient evidence of its required capabilities.** A Word File of this table shall be provided for vendors to edit table for entry. Bidders shall provide this table with their submittals.



Table 2: Bidder Qualification Criteria

| Qualification Criteria   | Bidder's Response |
|--|-------------------|
| <p><b>1. Greenfield Private Power Project Criteria</b></p> <p>The projects submitted by the Bidder in this Section will not qualify for consideration unless such projects were executed by the Bidder based on the Greenfield Private Power Project concept defined as follows:</p> <ol style="list-style-type: none"> <li>1 Prepared proposals to "build-own-operate" or "build-operate-transfer" IPP projects.</li> <li>2 Was selected as a Bidder based on ranking during a competitive bidding process or direct award.</li> <li>3 Directly negotiated the project agreements and finalized them successfully.</li> <li>4 Achieved financial closing for the projects on non-recourse or limited recourse basis. Non-recourse financing is defined as financing where lenders have recourse solely to the project company and its assets. Limited recourse financing is defined as financing where lenders have some recourse to the project owners. Projects where lenders have full recourse for the full amount of the debt via a guarantee, corporate indemnity, or other instrument will not be considered as non-recourse or limited-recourse financing.</li> <li>5 Successfully operated the project for at least 18 months.</li> </ol> <p>Existing projects or facilities that were acquired via purchase directly or indirectly, through a merger, or by other means will not be considered as Greenfield Private Power Projects.</p> <p><b>1.1 Clear Description of the Bidder.</b></p> <p>The qualified Bidder shall identify the lead developer or firm, its relation to parent company (if any), and any other firms comprising the consortium or joint venture.</p> <p><b>1.2 Project Development Experience.</b></p> <ul style="list-style-type: none"> <li>• The qualified Bidder shall clearly demonstrate its ability to obtain sufficient bank guarantees and its previous financial capability to develop a greenfield project of 80 MW or larger.</li> </ul> |                   |

| Qualification Criteria   | Bidder's Response |
|--|-------------------|
| <ul style="list-style-type: none"> <li>• The qualified Bidder had the role as a lead developer in at least two greenfield projects that achieved commercial operation within the last 10 years from the qualification document submittal date as follows:               <ul style="list-style-type: none"> <li>a) Both projects are in the range of 80 MW (gross at ISO conditions) and larger. Bidder shall clearly demonstrate that each of the projects:                   <ul style="list-style-type: none"> <li>i) has been developed and achieved financial closing,</li> <li>ii) is located in a country outside of Bidder's country of origin unless the Bidder is a U.S. company, and</li> <li>iii) has been in commercial operation for at least 12 months prior to the date of issuance of this RFO.</li> </ul> </li> </ul> </li> <li>• If the Bidder does not have two projects that comply with (a) above, then the Bidder may include at least one project with capacity of less than 80 MW, but no less than 80 MW (gross at ISO conditions) in addition to the one project that complies with (a) above. Bidder shall clearly demonstrate that such other project               <ul style="list-style-type: none"> <li>i) has been developed and achieved financial closing, and</li> <li>ii) is currently in commercial operation and that the commencement of such commercial operation occurred prior to the date of issuance of this RFO.</li> </ul> </li> </ul> |                   |
| <p><b>1.3 Project Financing Experience and Financial Capacity</b></p> <ul style="list-style-type: none"> <li>• The qualified Bidder must illustrate its lead developer's previous successful experience in raising sufficient non-recourse or limited recourse debt (&gt;\$100 million USD), and substantial equity participation (&gt;\$50 million USD), for at least two greenfield projects of 80 MW or larger; at least one -project should be a project claimed under 1.2 a) above; and at least one project should be located in a country outside of Bidder's country of origin for Bidders that are not U.S. companies.</li> <li>• Each member is required to separately provide its financial capability including audited financial statements for the three (3) most recent years.</li> <li>• Bidder's financial capacity will be judged based on its net worth, working capital, profitability, and bonding capacity. The Bidder must demonstrate that it will be able</li> </ul>  |                   |

| Qualification Criteria   | Bidder's Response |
|--|-------------------|
| <p>to access and provide sufficient project equity and debt financing as well as working capital for the execution and construction of the Project, including security deposits to back performance guarantees during both the construction and the operations and maintenance period.</p> <ul style="list-style-type: none"> <li>The qualified Bidders will have to demonstrate that their net worth over the last three (3) years was at least \$100 million USD.</li> </ul>   |                   |
| <p><b>1.4 Technical Capabilities and Qualifications.</b></p> <ul style="list-style-type: none"> <li>The qualified Bidder must provide evidence of having within its organization (or team, by association) the technical capability to manage the design, engineering, construction and operation of international projects of 80 MW (gross at ISO conditions) or larger.</li> <li>The qualified Bidder must provide evidence of having within its organization (or team, by association) the technical capability to manage the permitting, design, engineering, construction and operation of international projects of 80 MW (gross at ISO conditions) or larger.</li> <li>The qualified Bidder must provide evidence that it currently owns, and has operated for at least 12 months, at least one power project of 80 MW (gross at ISO conditions) or larger utilizing, in case of using fossil fueled technologies, with unit capacity of no less than 10 MW (nominal) for reciprocating engines or 80 MW (nominal at ISO conditions) for combustion turbines. The technology for which the Bidder claims their experience must match the technology the Bidder plans to use for the Project.</li> </ul> |                   |