



GUAM POWER AUTHORITY

ATURIDÁT ILEKTRESEDÁT GUAHAN
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

March 29, 2018

AMENDMENT NO.: V

TO

INVITATION FOR MULTI-STEP BID NO.: GPA-034-18

FOR

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

Prospective Bidders are hereby notified of the following change and responses to clarifications to Amendment No.: III received from Hyundai Corporation dated March 22, 2018,

CHANGE:

1. Bidders shall submit their bids manually. GPA and the Bidder shall manage the Manual IFMSB Submittal Process to address non-repudiation, security and confidentiality inclusive but not limited to the following:
 - a. Manually executed signatures and printed media documents;
 - b. Chain of custody receipts;
 - c. Manual time-stamps for receipt of IFB materials;
 - d. Machine generated Fax confirmation reports;
 - e. Physical delivery of printed material bids;
 - f. Physically secured area storage of IFB materials.

A duly authorized person must sign the Bidder's bids. All names shall be typed or printed below the signature. A bid submitted by a corporation must bear the seal of the corporation, be attested to by its Secretary, and be accompanied by necessary Power-of-Attorney documentation.

Associated companies or joint ventures shall jointly designate one Power-of-Attorney person authorized to obligate all the companies of the association or joint venture. A bid submitted by a joint venture must be accompanied by the document of formation of the joint venture, duly registered and authenticated by a Notary Public, in which is defined precisely the conditions under which it will function, its period of duration, the persons authorized to represent and obligate it, the participation of the several firms forming the joint venture, the principal member of the joint venture, and address for correspondence for the joint venture. Bidders are advised that the joint venture agreement must include a clause stating that the members of the joint venture are severally and jointly bound.

Multi-Step GPA-034-18, Build, Operate & Transfer Contract for 120-180MW of New Generation Capacity – Step 1 – Request for Qualifications

The original documents shall be hand-carried and received at the GPWA Procurement Office on or before the closing date and time. The original documents received through post or courier shall be outright rejected if such delivery is received at the address showing after the submission date and time.

Electronic submittals will **not** be accepted.

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

Bidders are required to submit one (1) original and six (6) bound copies of their bids.

The following required documents will be issued in the next phase of this Invitation for Multi-Step Bid (Technical Specifications):

1. Bid Guarantee
2. Affidavit of Disclosure of Major Shareholders
3. Non-Collusion Affidavit
4. No Gratuities or Kickbacks Affidavits
5. Ethical Standards Affidavits
6. Wage Determination Affidavits
7. Restrictions Against Sex Offenders Affidavit

Invitation for Multi-Step Bid No.: GPA-034-18 shall be submitted before 4:00 P.M., April 05, 2018, in a sealed envelope/package indicating the IFMSB number and addressed as follows:

To: John M. Benavente
General Manager
Guam Power Authority
GPWA Procurement Office
Gloria B. Nelson Public Service Building
688 Route 15 – Suite 100
1st. Floor, Room 101
Mangilao, Guam 96913

Attn: Jamie Lynn C. Pangelinan
Supply Management Administrator

Hyundai Corporation clarification to Amendment No.: III dated 03/22/2018:

QUESTION:

1. On page 17 of Amendment III, KEPCO asks "Is it acceptable in PQ and the bid process that a company including any affiliate constitutes or be part of more than one Bidder? For example, can mother company and its subsidiaries participate in this bid process respectively as a separate bidder?" and the response given by GPA was "No member is allowed to participate in more than one Proposal". The answer seems to respond to only the first question and not the second question. We understand that one corporate entity is NOT allowed to submit two bid proposals. However, is it allowed for a mother company and a subsidiary both to submit two separate proposals respectively if each company satisfies PQ requirements with their own experience? For example, mother company has a consortium A and subsidiary has a different consortium B then consortium A submits one proposal while consortium B submits a completely different proposal. Is this allowed?

ANSWER:

No company or its affiliate (including mother company and/or a subsidiary) will be allowed to participate in more than one proposal.

QUESTION:

2. On page 49 of Amendment III, PEC asks if "It is possible to submit 2016, 2015 and 2014 audited statements to fulfill the three (3) most recent years requirement?" and GPA responded "GPA will accept three most recent years (2015-2017) audited statements however if 2017 audited statements are not available GPA will accept three years (2014-2016) of audited statements plus 2017 unaudited financials certified by the company's chief financial officer". We understand that our consortium can submit 2014-2016 audited financial statements to fulfill the three (3) most recent years. However, even the unaudited financials of 2017 will not be ready by submittal time. This is because every country has a different accounting end of the year. Can the 2014-2016 audited financials be submitted first and the remaining 2017 audited financial statement be delivered when available but no later than the submission date of the Step 2 – Technical Proposal?

ANSWER:

If 2017 unaudited financial statements are not available by submittal deadline then 2014-2016 audited financials will be sufficient to fulfill requirement.

QUESTION:

3. On page 31 of Amendment III, Karpowership asks "Why does GPA ask for previous project experience in the range of 80MW? We believe past experience in power projects with larger capacities would prove stronger track record." and GPA responded "The minimum size was established after careful considerations, but the bidders are allowed to claim their experience based on larger size power projects". For clarification purposes we understand that the above answer approves that if both projects are over 80MW it fulfills the Qualification criteria.

ANSWER:

Yes.

QUESTION:

4. On page 8 of Amendment III, POSCO DAEWOO Corporation asks "According to Clause 1.1 (General), the Project will be on a BOT basis and it shall provide electricity to GPA under a 25-year energy conversion agreement (ECA). Please kindly clarify whether the terminology of ECA has the same meaning as the Power Purchase Agreement (PPA) that is commonly used in the context of IPP business." and GPA responded "Energy Conversion Agreement (ECA) falls under a general category of Power Purchase Agreements. It can be called PPA, Tolling Agreement, or ECA and is a type of PPAs where an offtaker supplies fuel to an IPP at no cost, receives electricity generated by the IPP, and pays a capacity charge and variable O&M charge, but no fuel charge. IPP guarantees the heat rates and covers the cost of fuel consumed in excess of the fuel consumption calculated based on the guaranteed heat rate." We understand that GPA is planning to separate the IPP bidding with the Fuel supply bidding. If a company participates both IPP and fuel supply bidding, will the results of one bidding effect the other? For example, if the company is awarded for the IPP bidding, will this result have any effect to the company on participating the fuel supply bidding?

ANSWER:

This is not a clarification but a new question. Therefore, we will provide response in step 2 – technical proposal.

Proman clarification dated March 24, 2018:

1. Proman respectfully requests GPA to reconsider its position that the consortiums it would consider as potential bidders must only be made up of companies with experience limited only to providing power plants to end users/purchasers.

We are among a number of potential bidders with strong balance sheets, experience in project financing, construction experience as an EPC contractor, and experience operating/partnering with plant operators and turning over large industrial complexes of much larger investment size and complexity than the power plant proposed by GPA. Within our industrial complexes, Proman operates steam turbines and engines. Further, we have worked with major original equipment manufacturers on several projects and have developed close working relationships with them. We plan to have a strong and experienced operator join Proman in consortium and are confident in our ability to choose an appropriate operator prior to the next stage, once we have evaluated the most compelling technology solution for GPA and have received more bid details. A Proman-led consortium that includes a power plant operator will not differ from the organization of any other "power-only experienced" consortiums, which typically are combinations of developers, financiers, EPCs and operators. In conjunction with the right operating partner, we are prepared to offer a competitive solution to GPA, if given the opportunity.

GPA's goal should be to attract the broadest array of potential bidders who can provide the most cost-effective solution to its ratepayers. Excluding large industrial developers such as Proman - and focusing only on developer/consortiums that only build power plants - arbitrarily and unnecessarily limits the pool of developers that can help provide the best mix of talent and resulting technical solutions at the lowest cost to GPA ratepayers.

The ultimate winning bidder and bid will not be won or lost at this procurement juncture by allowing more flexibility to developers to partner with the right players. We urge GPA to cast as wide a net as possible to attract the best "catch" of potential partners for the forthcoming bid. To limit potential consortiums to those that only have experience in power would unnecessarily limit GPA's options, rather than enhance them.

We respectfully request re-consideration of GPA's position that consortiums must be so limited to "power-only experienced" consortiums and grant Proman the opportunity to provide GPA with a competitive solution, even if its approval to participate is conditioned upon the ultimate inclusion of an operating partner.

ANSWER:

The Authority has re-considered your request and is acceptable.

POSCO DAEWOO Corporation clarification dated March 26, 2018:

QUESTION:

1. According to page 17 of the Amendment No. III released on March 15, GPA clarified that no member is allowed to participate in more than one Proposal.
 - a. Is it allowed, then, that each affiliate companies (as separate members) submit one Proposal as individual Bidder?
 - b. Please kindly clarify whether the aforementioned 'Proposal' is referring to the Technical Proposal which is to be submitted by the pre-qualified Bidders or also the Pre-Qualification Documents which is to be submitted by the potential Bidders.

ANSWER:

- a. No bidder or bidding member will be allowed to participate in more than one proposal. For purposes of this limitation, the terms "bidder" and "bidding member" shall be deemed to include affiliates thereof. An affiliate of a company shall mean a parent, subsidiary, brother or sister corporation or other corporation or entity which, either directly or indirectly, controls the company or the company controls or is under common control with the company.
- b. In this instance, the reference to "Proposal" applies to both pre-qualification proposals and priced proposals.

Hanwha Energy clarification dated March 26, 2018:

QUESTION:

1. According to the Amendment No.: III, Bidders should send original documents to GPA via post or courier (page 2). Then, is it possible to bring in one (1) original and six (6) bound copies of bidder's bid in hand? And plus, should we enclose USB memory with those bid documents?

ANSWER:

- a. Kindly refer to No.1 of **CHANGES** above.
- b. USB memory is not required at this time.

QUESTION:

2. And in terms of Power of Attorney (POA) person, is it possible to designate one more people as Attorney?

ANSWER:

Yes, but keep it to no more than one additional designate.

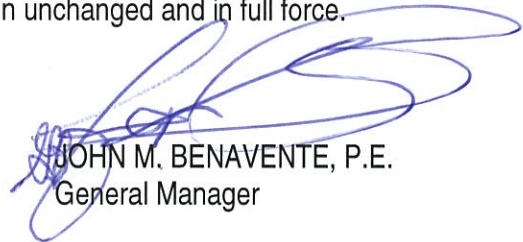
QUESTION:

3. Once shortlist is announced, could GPA expect RFP issue date and submitting date of technical & price proposal?

ANSWER:

GPA anticipates issuing the technical bid documents late July 2018 and proposal submittals mid November 2018.

All other Terms and Conditions in the bid package shall remain unchanged and in full force.



JOHN M. BENAVENTE, P.E.
General Manager