

Request for Statement of Qualifications
Dispatchable Solar Photovoltaic Reserve Capacity for Grand Cayman – 19 April 2022

UTILITY REGULATION AND COMPETITION OFFICE



Request for Qualifications No: **OFREG-2022-RFQ-01**

Issued: 19th, April 2022

Submission Deadline: **Friday, 20 May 2022 12:00:00 PM local time**



1 PART 1 - REQUEST FOR QUALIFICATIONS - FOR A DISPATCHABLE SOLAR PHOTOVOLTAIC PLANT PAIRED WITH ENERGY STORAGE.

1.1 Invitation to Proponents

This Request for Qualifications (RFQ) is an invitation by the Utility Regulation and Competition Office ('OfReg' or 'the Office') to prospective bidders (hereinafter called Respondents), to submit expressions of interest (EOIs) and statement of relevant qualifications (SOQs) for a Dispatchable Solar Photovoltaic (DPV) plant paired with energy storage facility as further described in Section A of the RFQ Particulars in Appendix A ('the Deliverables'), to be implemented in Grand Cayman, Cayman Islands.

Respondents should familiarise themselves with local conditions and take them into account in preparing their Request for Qualifications.

1.2 Background

The Utility Regulation and Competition Office ("OfReg", "the Office"), a statutory authority established in the Cayman Islands, is responsible for conducting a fair and objective solicitation for generating capacity on Grand Cayman through an open and transparent competitive process. This Request for Statement of Qualifications (RFQ) solicits expressions of interest (EOIs) and statement of relevant qualifications from prospective Respondents. The Statement of Qualifications (SOQ) prepared in response to this RFQ will be evaluated by the Office to develop an approved list of Qualified Bidders.

Only those Qualified Bidders will receive a Request for Proposal (RFP) and be allowed to bid on the requested generating capacity. The winning bidder(s) will be required, among other things, to negotiate a Power Purchase Agreement (PPA) for the sale of the output of the proposed DPV generating capacity to Caribbean Utilities Company Ltd., (CUC) in its role as the Transmission and Distribution (T&D) licensee. As a generation licensee, CUC will also be permitted to compete to provide such generation resources under the supervision of the Office.

Under the terms of its T&D licence, CUC is responsible for providing adequate and reliable, reserve electric capacity and energy for its retail customers on Grand Cayman and has prepared a preliminary technical operational specification ("Technical Specification") for a Dispatchable Solar Photovoltaic plant paired with energy storage to demonstrate the need for additional reserve generation resources. The Technical Specification informs potential bidders of the general nature of the need for the additional generating facility. A copy of the Technical Specification, which has been reviewed and approved by the Office, is attached as Appendix A.



As shown in the approved Technical Specification the required increment of reserve capacity and associated energy sought by CUC consists of a DC-coupled Solar Photovoltaic and battery hybrid plant totaling approximately 23 MWac of capacity and associated energy storage, for delivery no later than **May 1, 2024**. Other renewables and hybrid plants, may bid, if they can meet the performance criteria required for the reserve capacity. The technical and other specifications for this capacity and energy, will be specified in more detail in the RFP.

In addition to the Technical Specification, prospective bidders are expected to review and understand the following relevant background information available on the Office's website:

- Electricity Sector Regulation Act (2019 Revision) "ESRA"
- Form of Generation Licence
- Form of Power Purchase Agreement
- ESRA regarding the Competitive Solicitation Process
- Electricity Act (2008 Revision)

The ESR Act requires OfReg "to solicit additional generation capacity and conduct the generation solicitation process", and also "to review and approve any PPA".

1.3 Statement of Qualifications

To be permitted to bid on the required DPV generating capacity, a prospective bidder must first be deemed a "Qualified Bidder" by the Office based on the Statement of Qualifications ("SOQ") submitted to the Office in response to this RFQ. The SOQ should contain information with respect to the prospective bidder's expertise and experience, which must be relevant to establishing an electrical energy generating facility on Grand Cayman. In addition, the SOQ shall provide evidence of the prospective bidder's financial status in sufficient detail to enable the Office to be assured that the Respondent would be capable of financing these projects and remain financially viable for the term of the PPA. The SOQ will also serve as an expression of interest in submitting a bid and assurance that the prospective bidder's intended generation project would satisfy the technical criteria in the Proposal.

For a prospective Respondent to be evaluated for consideration as a Qualified Bidder, the Respondent must include the following information in its SOQ in the order shown below. Failure to provide a thorough and complete submittal may render the submittal non-responsive. The contents of the submittal must be clear, concise, and complete. The submittal must include a Table of Contents i.e., a complete and clear listing of headings and pages to allow easy reference to key information. These SOQs must be submitted by **May 20, 2022 12:00 PM EST.**:

1. Letter of Transmittal/Proposal – The letter of transmittal should be bound in the SOQ and include the following components:
 - Introduction of the prospective bidder, including all current and prospective members of a consortium if applicable.



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- Identification of the leading member of the consortium, if applicable (i.e., the legal entity with which CUC would sign a PPA).
 - Acceptance of the technical criteria for generation on Grand Cayman, as identified in the Technical Specification.
 - Affirmative statement that the prospective bidder, if selected, intends to, and can provide generating capacity that meets the technical criteria.
 - Affirmative statement of interest in providing a bid for the required generation.
 - Name, geographic address, and email address for the contact person authorised to respond to any requests for clarification and/or to receive the RFP, if approved by the Office.
2. Firm Experience – The prospective bidder should include in this section evidence of previous relevant experience with respect to power projects of similar size:
- Permitting and site approvals
 - Project financing
 - Project construction
 - Overall project development
 - Operations and maintenance

In each case, the Respondent must demonstrate prior experience in developing the type of generation proposed for construction on Grand Cayman. The Respondent should identify its role(s) in the projects cited and the location and dates of such experience. Evidence of the level of success of these efforts should also be included (i.e., experience with projects that have not been successful in coming online should also be included). This experience should be focused on demonstrating the Respondent's ability to carry out such functions in the Cayman Islands, if selected.

The Respondent may also describe its experience with power projects that are not directly relevant to the Cayman Islands, but which demonstrate knowledge of the power industry and generation (including location, dates, and level of success).

3. Biographies – The Respondent should include in this section of the SOQ biographies and/or resumes of project team members, including the prime contractor and any subcontractors, and a description of the respective responsibilities of the key personnel proposed to work on the development of the facilities on Grand Cayman. Resumes should include each participant's background, specific areas of expertise, and previous experience with projects of this type and size.
4. References – The prospective Respondent should provide references, with contact information, relating to at least two separate projects that can speak to their relevant previous experience, and may also provide letters of reference (from purchasers, government agencies, commissions, etc.), to confirm the cited experience. The Respondent may also include printed articles or other public information on the operation of their projects.



5. Financial Strength – If the entity providing the SOQ has multiple divisions, the prospective bidder's SOQ shall identify which division will have primary responsibility for developing and/or managing the generation project. The SOQ should include the following data for the corporate entity:
- Corporate credit rating and the most recent rating agency reports.
 - Annual reports (if prepared) for the past three (3) years, or equivalent financial statements.
 - 10Q quarterly reports (if applicable) for the past three years.
 - Current Dunn and Bradstreet Report on the company.
 - Listing of lawsuits in which the company is currently engaged that could have a material impact on the financial standing of the company.
 - Other evidence of financial credibility.
 - Evidence of existing business operations (if any) in the Cayman Islands.
 - Financial results for the most recent three (3) years for the corporate division that would be responsible for the project, if available.
 - Financial results for three (3) years for other major consortium members

It is understood that a consortium may be formed to bid jointly to supply this generation need and that the consortium may not be fully constituted by the time the SOQ is submitted. In this case, the SOQ should show the relevant expertise and previous experience for those parties already committed to the consortium and the other parties expected to be added to the consortium prior to project development. The SOQ should also include, on letterhead, a statement of intent to participate in the consortium from any identified non-primary members.

Any SOQ that does not demonstrate relevant experience in all areas may be conditionally approved by the Office based on an affirmative statement in the letter of transmittal that the parties to be added to the consortium would provide such missing experience and that firm commitments from such parties would be secured prior to, and evident in the subsequent RFP submission.

1.4 Provisos or Conditions

If Respondent's statement of qualifications is subject to any provisos, conditions, or consents of other parties or agencies, the statement must clearly identify such conditions and describe how those conditions would be met.

1.5 RFQ Contact

Any queries relating to this RFQ may be addressed to Gregg Anderson at Gregg.anderson@ofreg.ky

Written questions and comments must be submitted electronically via our Public Portal no later than the date specified in the Public Portal. Only written communications relative to the procurement shall be considered. The Public Portal is the only acceptable method for submission of questions. All questions will be answered in writing. The Office will distribute questions and answers without identification of the inquirer(s) to



all Respondents who are on record as having received this RFQ, via its public portal. No oral communications can be relied upon for this RFQ. Addenda will be issued addressing questions or comments that are determined by the Office to cause a change to any part of this RFQ.

1.6 Contact with the Office’s Staff

Respondents and their representatives are not permitted to contact any employees, officers, agents, elected or appointed officials or other representatives of OfReg, other than the RFQ Contact, concerning matters regarding this RFQ. Failure to adhere to this rule may result in the disqualification of the Respondents and the rejection of the Respondent’s proposal.

1.7 RFQ Timetable

Issue Date of RFQ	Thursday, 19 April 2022
Deadline for Questions	Monday, 16 May 2022 12:00:00 PM
Deadline for Issuing Addenda	Wednesday, 18 May 2022
Submission Deadline	Friday, 20 May 2022 12:00:00 PM
Anticipated Evaluation of Respondents	Monday, 23 May 2022
Notice of Shortlisted Respondents	Monday, 30 May 2022

The RFQ timetable is tentative and may be amended by the Office at any time. For greater clarity, business days means all days that the Office is open for business.

Note: All times in this RFQ are Eastern Standard Time and the Cayman Islands does not observe Daylight Savings Time.

Please do not embed any documents within your uploaded files, as they may not be accessible and will not be evaluated.

1.8 Submission of Proposals

Please follow these instructions to submit via our electronic Public Portal.

Prepare your submission materials:

1.8.1 Proposals to be Submitted at Prescribed Location

Name	Type	# Files	Requirement
Letter of Transmittal/Proposal	File Type: PDF (.pdf)	1	Required
Rated Criteria - Project Team Structure and Individual Expertise/Management Plan	File Type: Word (.doc, .docx)	Multiple	Required



Name	Type	# Files	Requirement
Rated Criteria - Achievements, Technical Experience and References	File Type: PDF (.pdf)	Multiple	Required
Rated Criteria – Evidence of Financial Strength	File Type: PDF (.pdf)	Multiple	Required
Rated Criteria – Conceptual Technical Approach and Methodology	File Type: PDF (.pdf)	1	Required

Proposals shall be submitted electronically via the following:

<https://cayman.bonfirehub.com/opportunities/11488>

1.8.2 Proposals to be Submitted on Time

Proposals must be submitted at the location set out above, on, or before the Submission Deadline. Proposals submitted after the Submission Deadline will be rejected.

Your submission must be uploaded, submitted, and finalised prior to the Closing Time of **20 May 2022 12:00 PM EST**. We strongly recommend that you give yourself sufficient time and **at least ONE (1) day** before Closing Time, to begin the uploading process and to finalise your submission.

Only ONE (1) file can be uploaded for each Requested Document above. If you upload more than one file into the same slot, the previous file will be overwritten.

2 PART 2 – EVALUATION

2.1 Statement of Qualifications Evaluation Criteria

SOQs shall be prepared and submitted in the format set out in Section 1.3 and shall completely and clearly address the scope of work and objectives outlined in Appendix A of this RFQ.

Each SOQ will be reviewed for: (a) compliance with the RFQ instructions regarding organization and format, and (b) responsiveness to the requirements set forth in this RFQ.

Any SOQ determined by the Office that does not address the requirements set forth in this RFQ or that does not pass the pass/fail criteria herein will be excluded from further consideration and will not be eligible for qualitative evaluation and shortlisting. The Office may also exclude from consideration any Respondent whose SOQ contains a material misrepresentation of information. Should an SOQ be excluded from further evaluation, the Office will inform the Respondent.



The Office may request written clarifications, confirmations, or corrections from a Proponent regarding minor nonconformities, irregularities, and apparent clerical mistakes. The Office reserves the right, in its discretion, to disregard or waive minor informalities, irregularities, omissions, nonconformities, discrepancies, and apparent clerical mistakes.

2.2 Pass/Fail Criteria: The Authority will evaluate each SOQ based upon the following pass/fail criterion:

Criterion 1 – Compliance with RFQ

To pass Criterion 1, the SOQ must comply with the requirements contained within this RFQ including but not limited to format requirements, terms, conditions of this RFQ and the completion of required Forms in section 1.8.

2.3 Qualitative Evaluation Criteria and Weighting

Each Respondent's SOQ passing all the "pass/fail" criteria set forth in Section 2 will be qualitatively evaluated and scored in the following categories:

- Technical Qualifications and Capability (40% Weighting)
- Financial Qualifications and Capability (40% Weighting)
- Conceptual Technical Approach Statement (10% Weighting)
- Management Plan (10% Weighting)

The evaluation criteria for each category are set forth below.

2.4 Technical Qualifications and Capability (40% Weighting)

The Respondent's technical experience and capability will be evaluated based on the following factors, and such evaluation will only consider:

a) Firm Experience

The extent and depth of the experience of the Respondent's Team Members with projects of similar scope and complexity and with similar responsibilities as are anticipated to be within the scope of work, and specific experience with DC-coupled Solar Photovoltaic and battery hybrid plants.

The Office will consider the individual and collective project experience of the Team Member firms in accordance with the criteria listed below, as reflected in the SOQ. The extent and depth of the technical capability of the Respondent and its Team Members will be evaluated based on:



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1. Evidence of experience with the design, installation, operations, and maintenance of utility-scale DC-coupled Solar Photovoltaic and battery hybrid plants.
2. A demonstrable history of acquiring and/or financing new utility scale DC-coupled Solar Photovoltaic and battery hybrid plants.
3. Evidence of operation of utility scale DC-coupled Solar Photovoltaic and battery hybrid plants of at least 20 MWac capacity.
4. Evidence of maintenance of utility scale DC-coupled Solar Photovoltaic and battery hybrid plants of at least 20 MWac in capacity.
5. A demonstrable history of maintaining responsible environmental practices and regulatory compliance; and,
6. Evidence showing a history of compliance with energy related policies, practices and regulations from a state, commission, or other regulatory body.

Reference letters for current and/or past customers for which similar energy storage systems have been installed, operated, and maintained are expected.

b) Technical Key Personnel Experience

The extent and depth of the experience of Technical Key Personnel with projects of similar scope and complexity and with similar personnel roles and responsibilities as are anticipated for this project, and specific experience with DPV contracting, operations and maintenance contracting, or any variation thereof.

2.5 Financial Qualifications and Capability (40% weighting)

The Respondent's financial experience and capability will be evaluated based on the following factors, and such evaluation will only consider:

1. Demonstrated financial experience in design, installation, operation, and maintenance of utility scale DC-coupled Solar Photovoltaic and battery hybrid plants as described below:
 - The Respondent shall have demonstrable experience and understanding with accessing necessary corporate or equity capital, securities, or other financial resources that enable the design, installation, operation, and maintenance of utility scale DC-coupled Solar Photovoltaic and battery hybrid plants projects and/or infrastructure assets like the Project.
2. Depth of experience of the Proponent's Financial Key Personnel (consisting of one or more Finance Leads) as described below:
 - Length and depth of experience in utility scale DC-coupled Solar Photovoltaic and battery hybrid plants projects or similar scope projects related to power generation or transmission and distribution improvements.



2.6 Management Plan (10% Weighting)

The Respondent shall develop an organisational structure which efficiently identifies key positions, their duties, and responsibilities and how the proposed structure will deliver the required quality of service. The plan must provide details of the proposed staff and their qualifications for the position.

The Respondent's Management Plan will be evaluated based on the completeness and capability of its organisational structure to successfully deliver the Project.

2.7 Conceptual Technical Approach Statement (10% Weighting)

The Respondent's Conceptual Technical Approach Statement should be a narrative of its approach to delivering the Project and demonstrate the following:

- An understanding of the Project's scope and complexity
- An understanding of Project risks and potential solutions (regardless of which party has responsibility for such risks) that may arise during all Project phases, including management, design, construction, operation, and maintenance
- An understanding and sound approach to project quality (QA/QC) during design, construction operation and maintenance of the Project.
- An understanding and sound approach to safety management during both construction and operation of the Project.

Important Notes:

Each Requested Document is instantly sealed and will only be visible after the Submission Deadline.

Uploading large documents may take significant time, depending on the size of the file(s) and your Internet connection speed. The maximum upload file size is 100 MB.

You will receive an email confirmation receipt with a unique confirmation number once you finalise your submission.

Minimum system requirements: Internet Explorer 8/9/10+, Google Chrome, or Mozilla Firefox. JavaScript must be enabled. Browser cookies must be enabled.

Need Help?

The Office uses a Bonfire portal for accepting and evaluating proposals digitally. Please contact Bonfire at Support@GoBonfire.com for technical questions related to your submission. You can also visit their help forum at <https://bonfirehub.zendesk.com/hc>



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The Office may request clarifications and additional evidence and, if such materials are received in a timely manner, may consider such materials as part of the original SOQ. However, potential bidders should prepare the SOQ on the basis that their qualifications will be evaluated thereon.

The SOQ will be used for the sole purpose of evaluating the potential bidder's qualifications to participate in the upcoming RFP. The Office may accept or reject any SOQ in its sole and absolute discretion.

Based on its evaluation of the SOQs submitted by the due date, the Office will prepare the Qualified Bidders list – a list of those potential bidders qualified to receive the ensuing RFP. CUC and any other existing generation licensees shall be considered Qualified Bidders without the need to submit an SOQ. Other firms that have previously submitted SOQs must re-submit such materials unless they hold a current Generation Licence on Grand Cayman.

The Qualified Bidders list shall be published on the Office's website in a timely manner after the due date for receiving the SOQ, which is **May 20, 2022 12:00 PM EST**. The Office will send the RFP to all Qualified Bidders by email to the address(es) provided in the SOQ letter of transmittal.



3 APPENDIX A

RFQ: Dispatchable Photovoltaic (DPV) Generation facility

The following lists the preliminary operational requirements for a dispatchable photovoltaic generation facility on Grand Cayman. The technical specifications for this capacity and/or energy, interconnection considerations, model power purchase agreement and interconnection agreement and will be specified in more detail in the RFP stage.

General:

- Technology: Solar Photovoltaic with Energy Storage (co-located).
- Total Contracted Capacity required: 23 megawatts, alternating current (“MWac”) (Nominal Net Capacity).
- Nominal shall be defined to allow an actual capacity to be within +/- 5% tolerance of the nominally listed value.
- Maximum Output to Grid: The project(s) must be interconnected to the power system such that no single point of the facility could lead to a loss of load larger than 20 MWac and that the maximum aggregate of connected inverter capacity is limited to 40 MWac.
- The DPV facilities as a minimum should must be designed to meet the latest Cayman Islands Building Codes (2009 International Building Code as amended) and should be able withstand extreme weather conditions including tropical hurricanes (3-second gusts of 186 mph)
- Seismic design in accordance with ASCE 7-05 procedure with local code Input (Seismic Coefficients $S_s = 0.659$, $S_1 = 0.3$ with Site Classification = C).
- The facilities should be designed with resiliency as a key design consideration and ensure that the DPV facility endures minimal damage during the passage of a hurricane. Equipment that cannot be submerged for a one-week duration in seawater and then immediately placed back in operation with minimal intervention shall be located at least 12 feet above sea level. Proposers shall provide specifications to show equipment will operate to the same functionality and indicate it is able to promptly be synchronized back to the grid.
- The facility will be situated in a tropical marine environment and should incorporate corrosion resistant design and equipment selection to reflect this. Ambient temperatures range from 77 to 95 °F (25 - 35 °C), with a highest historical month averaged temperature of 85.5 °F (29.7 °C) with corresponding high relative humidity between 77 to 84%, and significant durations above 80% with extremely high airborne salt contamination.



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- The facility should be designed so all Solar PV Modules, inverters and battery energy storage systems will be disposed at the end of their useful life or when they become defective, non-operational, or non-repairable. The disposal methods shall be strictly in accordance with legislation for e-waste and/or hazardous wastes prevailing at the time of disposal. It is to be noted that the cost of such disposal shall be borne by the bidder.

Timing:

- Commercial Operation Date shall be no later than **May 01, 2024**.
- Minimum useful life: 25 years

Operating Criteria:

- Operating range of dispatch in regular operation: 0-23 MWac output for a minimum capability of 90 megawatt hours (“MWh”) total energy per day between 4pm and 7am as called for by the grid operator. Between 7am and 4pm, net energy generated by the plant is to be sold into the grid subject to generation availability, the economical dispatch of all available generation licensed by OfReg, the overall system demand, and system security constraints that are required to keep power quality within levels defined by the T&D Code.
- Integrated real time dispatch controlled directly by CUC’s SCADA system (Operational Integration efforts including modifications to Automatic Generation Control (“AGC”) programs and EMS upgrades will be required to connect to CUC’s system).
- If an energy storage system is utilised the charging of the energy storage system shall be from the renewable source, however, at the grid operator’s option and control, charging from the grid shall be allowed.
- Expected unit annual operating availability factor: 80% between the hours of 4pm-7am. Must be able to respond to 90 MWh of dispatch call from the grid operator per day during these hours. (Based on IEEE EAF equivalent availability factor, does not include major scheduled maintenance as per manufacturer’s specification).
- Expected annual level of generation (projected gross kWh output to grid): Minimum required $80\% \times 8,760 \times 30\% \times 23 \text{ MWac}$, Maximum likely: $80\% \times 8,760 \times 23 \text{ MWac}$ - subject to Power Purchase Agreement (“PPA”) negotiations.
- Plant should provide a minimum level of generation of $\geq 90 \text{ MWh}$ during daytime hours (7am-4pm) during summer season (June-October) at an availability of 75%.
- Maximum Output degradation: 0.5% per annum (energy and capacity).
- Maximum ramp down rate due to cloud cover: Lesser of 1 MW per minute or Maximum Output over 30 minutes.
- Minimum Available Ramp up/down rate of 100% of the plant’s Nominal Net Capacity over 1 minute within its available dispatchable range at the time.
- Plant must be able to provide Instantaneous Reserve services for frequency regulation of 6% of Nominal Net Capacity when frequency falls outside of 60 Hz



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+/- 200 MHz This capability must also be available at (100% + 6%) output for five (5) minutes.