



MINISTRY OF COMMUNICATIONS, WORKS, ENERGY & LABOUR
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9th January 2023

ADDENDUM No. 2: Request for Proposals (RFP) - The Economic Development of Montserrat's Existing Geothermal Wells

Potential Bidders are asked to take note the following updates to the RFP:

1. Request for Comments

In an effort to refine the Draft Power Purchase Agreement (PPA) shared with the Request for Proposal, prospective Bidders are invited to submit comments on the Draft Power Purchasing Agreement on or before 10th February 2023. An update PPA will be issued no later than twenty-eight (28) days before the Request for Proposal Submission date.

2. Amendment to Section 2.9 paragraph 2 – This paragraph should now read as follows:

“In an effort to increase the benefit of the implementation of this project to the island’s citizenry, thorough negotiations with the preferred Bidder, Government of Montserrat (GoM) may request an ownership stake in the project. The percentage stake will be decided through negotiations with the preferred bidder; however, the preferred Bidder will have controlling interest. The Bidder will be compensated based on the percentage stake that the government chooses to invest in at a negotiated percentage mark-up on the Bidder’s cost price.”

3. Amendment to section 4.12

Bidder shall submit its proposed Tariff and financial indicating along with supporting calculations, in writing and in a functional electronic copy of its Tariff Model and/or financial that demonstrates the relationships between the inputs, conversion factors, any other considerations and outputs in a Microsoft Excel spread sheet or compatible format. That is, the components of the fixed and variable tariff should clearly be shown in the working Tariff Model as applicable. The Tariff shall be quoted in Eastern Caribbean Dollars only.

The Tariff shall be presented by filling in the blank spaces in the following Table 5-1. Bidders are encouraged to provide a list of assumption and concessions included in their analysis.

Table 5-1: Firm Capacity Proposed Tariff Components as Applicable

Tariff Component	Unit	BasePrice	Based Price with proposed Concessions	Frequency of Adjustment
Capacity Price	XCD\$/kW/ Month			Monthly
Fixed O&M Price	XCD\$/kW/ Month			Annually
Energy Price	XCD\$/k Wh			Annually
Interconnection Infrastructure	XCD\$/kWh			Annually

Table 5-2: For none energy generation projects, kindly complete tables below;

Financial Indicator	Unit	Value (without concessions)	Value (with concessions)
Net Present value			
Average net annual cash flow			

Table 5-3: Estimated Economic Contribution;

Estimated Economic Contribution	Unit	Value (without concessions)	Value (with concession s)
Value (with concession s)	No.		
Estimated Average annual PAYE Contribution	XCD\$		
Estimated average annual corporate tax	XCD\$		
Estimated Annual local expenditure (excluding labour cost)	XCD\$		

Amendment to section 4.13-

Updated table - Proposed Capital Costs

Capital Cost Item	DESCRIPTION	PROPOSED COST without Concessions (XCD \$)	PROPOSED COST with Concessions (XCD \$)
Development Costs	Project development costs incurred prior to start of construction, including financial closing costs		

Construction Costs (Exclude Interconnection Cost)	All costs related to supply and installation of the Facilities for generating power including all applicable foreign and local taxes. See breakdown in Exhibit 12.		
Interconnection Cost	All costs related to the supply and installation of interconnecting infrastructure for delivering power to the MUL Grid including all applicable foreign and local taxes.		
Project Company Costs During Construction	Management and Insurance Costs Capitalized interest during construction Other costs including fees, etc.		
Working Capital	Working capital for initial operation and management.		
Capitalized O&M costs	Costs associated with operation and maintenance activities prior to commissioning.		

All further enquiries regarding this ITT should be sent to the Senior Procurement Officer, Mrs. Anne Thomas at thomasa@gov.ms and copied to the Procurement Officer I at fentonn@gov.ms