



GOVERNMENT OF PUERTO RICO
Puerto Rico Public-Private Partnerships Authority



ADDENDUM NO. 5 TO REQUEST FOR PROPOSALS

Puerto Rico Electric Power
Transmission and Distribution System
RFP 2019-2

Issued by the Puerto Rico Public-Private Partnerships Authority

Date Initial RFP Issued: February 1, 2019

Date of Addendum: September 4, 2019



GOVERNMENT OF PUERTO RICO
Puerto Rico Public-Private Partnerships Authority



This page has been intentionally left blank.



This confidential Request for Proposals is prepared for informational purposes only. It is being delivered to a limited number of Qualified Respondents who may be interested in pursuing a potential transaction as further described herein. This Request for Proposals does not purport to be all-inclusive or to contain all the information that a Qualified Respondent may desire in investigating the potential transaction. By accepting this Request for Proposals, the recipient agrees (i) to keep confidential the information contained herein or made available in connection with any further exploration of the potential transaction and (ii) that such information will only be used for the purposes set forth herein. No express or implied warranty is given by the Puerto Rico Public-Private Partnerships Authority or any other agency or instrumentality of the Government of Puerto Rico as to the accuracy or completeness of the information contained herein or otherwise made available in connection with the Project.





Addendum No. 5

This Addendum No. 5 shall be part of the Request for Proposals for Puerto Rico Electric Power Transmission and Distribution (the “RFP”) issued by the Puerto Rico Public-Private Partnerships Authority on February 1, 2019. Capitalized terms not defined herein shall have the meaning set forth in the RFP.

The purpose of this Addendum No. 5 is to update certain terms set forth in the RFP. Other than as specified herein, in Addendum No. 1 to the RFP, issued on April 17, 2019, in Addendum No. 2 to the RFP, issued on May 24, 2019, and in Addendum No. 3 to the RFP, issued on June 14, 2019, and in Addendum No. 4 to the RFP, issued on August 19, 2019, there are no other changes to the RFP and the remainder of the RFP should be construed in accordance with its terms, subject to publication of any additional addenda.

Section 3.5 of the RFP is hereby deleted in its entirety and replaced with the following:

3.5 O&M Agreement Process

O&M Agreement

A revised draft of the O&M Agreement is included in **Annex D** to this RFP. Comments to the updated draft of the O&M Agreement are to be provided via PowerAdvocate© by no later than **12:00 PM AST on September 27, 2019**.

Qualified Respondents are invited to submit only material, substantive comments to the draft O&M Agreement by submitting a markup using black-lining to indicate the proposed modification with explanatory footnotes where appropriate. Qualified Respondents are strongly encouraged to limit comments to the draft O&M Agreement to those that will materially enhance the Project and its ability to achieve the parties’ objectives. Qualified Respondents are advised that comments from all members of the Qualified Respondent’s team and its advisors should be included in a single electronic (Microsoft Word) document.

In order to allow for an efficient review process, each Qualified Respondent should also summarize the comments reflected in its markup of the draft O&M Agreement in order of priority in a separate summary document using the following chart format:

Item number (in order of priority)	Document and section reference	Summary of proposed modification	Reasons for proposed modification

A single final form of the O&M Agreement is expected to be circulated to all Qualified Respondents, which will reflect any comments from Qualified Respondents that the Authority has accepted. Additional details relating to the final form of the O&M Agreement will be provided in subsequent addenda to this RFP.

Discussions with Qualified Respondents

If deemed necessary or appropriate, the Authority may schedule discussions with Qualified Respondents in early October 2019 to walk through the comments received on the revised draft of the O&M Agreement. These discussions will provide each Qualified Respondent and its advisors with an opportunity to present its comments on the draft O&M Agreement and for the Authority to seek any clarification on these comments.

All Qualified Respondents will have equal opportunity for dialogue, and fair consideration will be given to all perspectives. Discussion should not be relied upon to modify the terms and conditions of the RFP; only changes



formalized through an addendum to the RFP may be relied upon. All discussions will be subject to the terms of the Confidentiality Agreement entered into between the Authority and each Qualified Respondent.

Section 4.2 of the RFP is hereby deleted in its entirety and replaced with the following:

4.2 Evaluation Criteria

Act 29 and Act 120 require the Partnership Committee to take into account certain factors in evaluating responses to the RFP. The Partnership Committee will review and evaluate Proposals based on the evaluation criteria set forth below, which have been developed by the Authority and the Partnership Committee to meet the objectives of the Project, including those objectives set forth in Act 120, Act 29 and Section 2 (*Key Transformation Objectives*) of the CIM.

#	Component	Score / Weighing
A.	QUALIFICATIONS/COMPLIANCE COMPONENTS	
1.	Transmittal Letter <ul style="list-style-type: none"> ○ To be submitted in accordance with the requirements described in Section 4.1.1 of the RFP. 	Not scored
2.	Executive Summary <ul style="list-style-type: none"> ○ To be submitted in accordance with the requirements described in Section 4.1.2 of the RFP. 	Not scored
3.	Confirmation of Acceptance of O&M Agreement <ul style="list-style-type: none"> ○ Qualified Respondent must accept the final form of the O&M Agreement shared by the Authority with each Qualified Respondent, save for immaterial amendments to incorporate party names, details and execution mechanics. 	Pass/Fail
4.	Confirmation of Acceptance of Performance Metrics <ul style="list-style-type: none"> ○ A Qualified Respondent must, at a minimum, accept and commit to meet the Performance Metrics, as described in Section 4.1.7 of the RFP. 	Pass/Fail
5.	Other Required Forms and Certifications <ul style="list-style-type: none"> ○ To be submitted in accordance with the requirements described in Section 4.1.10 of the RFP. 	Pass/Fail
B.	TECHNICAL COMPONENTS	45% Total
6.	Approach to O&M Services <ul style="list-style-type: none"> ○ Component must, at a minimum, address the topics set forth in Binding Proposal Form 1.4 (<i>Approach to O&M Services</i>). ○ Score to be based on the thoroughness and viability of the Qualified Respondent's proposed approach to providing the O&M Services, the experience and credentials of its proposed management team, its experience in procuring and utilizing federal funding and its ability to optimize the availability of federal funds for capital investments, among other things. 	10%



#	Component	Score / Weighing
7.	<p>Front-End Transition Plan</p> <ul style="list-style-type: none"> Component must, at a minimum, address the topics set forth in Binding Proposal Form 1.5 (<i>Front-End Transition Plan</i>). Score to be based on the thoroughness of the Front-End Transition Plan (including the proposed System Remediation Plan) and the timeline to achieve the identified key milestones, including the Service Commencement Date, among other things. 	25%
8.	<p>Operator Recruitment and Staffing Plan</p> <ul style="list-style-type: none"> Component must, at a minimum, address the topics set forth in Binding Proposal Form 1.6 (<i>Operator Recruitment and Staffing Plan</i>). Score to be based on the training to be provided to employees, optimization of workforce management and consistency with the objectives of the Project and Act 120, among other things. 	10%
C.	FINANCIAL COMPONENTS	55% Total plus 5% Bonus
9.	<p>Compensation Proposal</p> <ul style="list-style-type: none"> To be submitted in accordance with the requirements described in Section 4.1.8 of the RFP. Score to be based on the sum of (i) the net present value of the proposed annual Fixed Fee discounted at 6% and (ii) the net present value of the maximum possible annual Incentive Fee discounted at 10%. 	55%
10.	<p>Debt Financing Plan</p> <ul style="list-style-type: none"> To be submitted in accordance with the requirements described in Section 4.1.8 of the RFP. Score to be based on the amount, tenor and terms of the Qualified Respondent's proposed debt financing. 	5% bonus

Each Qualified Respondent is required to inform the Authority of the occurrence of any material changes to the information submitted with respect to the Qualified Respondent and/or any Team Member in connection with the RFQ Process or the RFP Process, as applicable. If there have been any material changes to the submitted information, the Qualified Respondent must provide details of such changes in accordance with any requirements the Authority may impose at that time.

The Authority and the Partnership Committee may consider any other criterion that, in their sole and absolute discretion, they determine to be appropriate or necessary to award the O&M Agreement pursuant to Act 29 and Act 120.



Annex D of the RFP is hereby deleted in its entirety and replaced with the following:

ANNEX D: O&M AGREEMENT



GOVERNMENT OF PUERTO RICO
Puerto Rico Public-Private Partnerships Authority



[END OF ADDENDUM]