**Wind and Solar SPP Solicitation 2016 –**

**Request for Proposal (RFP)**

**for**

**Commercial Operation of Wind and Solar Small Power Projects**

**FEBRUARY 2016**

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Definitions and Interpretations

In these Instructions and each Annex, capitalized terms have the meanings given to them in The Electricity (Development of Small Power Projects) Rules, 2016 (“SPP Rules”) and associated Standardized Power Purchase Agreement (“SPPA”), and as set forth below. Also, these Instructions and Annexes should be read together with the Wind and Solar SPP Solicitation 2016 Concept Paper.

|  |  |
| --- | --- |
| **Term** | **Meaning or Cross Reference** |
| Solicitation | “Solicitation” refers to the competitive bidding process for commercial operation of Small Power Projects utilizing wind or solar power technology. It includes a Request for Qualification, identification of Qualified Bidders, a Request for Proposals from Qualified Bidders, and identification of Preferred Bidders. |
| Small Power Project or Small Power Producer (SPP) | “Small Power Project” or “Small Power Producer” means an entity generating electricity in the capacity between one hundred (100) kW up to ten (10) MW using Renewable Energy, fossil fuels, a cogeneration technology, or some Hybrid System combining fuel sources mentioned above and either sells the generated power at wholesale to a Distribution Network Operator or at retail directly to a Customer or Customers. An SPP may have an installed capacity greater than ten (10) MW but shall only export power at the Interconnection Point not exceeding ten (10) MW and excess power may be for own use or may be wheeled through the public electrical network to an eligible customer. |
| Procuring Entity | The “Procuring Entity” for the Solicitation is the Distribution Network Operator (“DNO”). |
| EWURA or the Authority | The “Authority” is the Energy and Water Utilities Regulatory Authority of Tanzania (“EWURA”), established by Section 4 of the Energy and Water Utilities Regulatory Authority Act, Cap. 414 of the Laws of Tanzania. |
| Distribution Network Operator (DNO) or Off-Taker | “Distribution Network Operator” (“DNO”) or “Off-Taker” means a distribution network operator responsible for the operation of a distribution network at 33 kV or below. |
| Request for Proposals (RFP) | “Request for Proposals” (“RFP”) refers to the invitation for Qualified Bidders to submit binding Project Proposals for tendered wind and solar small power project of capacity from 1MW to 10MW, as outlined in these Instructions and Annexes. |
| Project Proposal or Bid | A “Project Proposal” or “Bid” is a binding offer by a Qualified Bidder to install and operate a small power plant using wind or solar technology or a hybrid system as prescribed in the SPP Rules based on the terms and conditions listed in the Request for Proposals and a Qualified Bidder’s subsequent bid.  A complete Project Proposal must include clearly marked Technical Proposal, Financial Proposal, and LRA-1 Form, as explained in these Instructions. |
| Bid Price or Unit Price | The “Bid Price” or “Unit Price” means the per-unit (kWh) price fixed for the term of a PPA, at which a Successful Bidder proposes to sell electricity from a wind or solar SPP above 1MW up to 10MW to the DNO. |
| Qualified Bidder | A “Qualified Bidder” is a Person or entity whose Qualification Questionnaire passed initial review by the Electricity Infrastructure Procurement Committee and is now eligible and invited to submit a binding Project Proposal. “Qualified Bidder” also includes a “Qualified Bidding Entity” which may be a group of Persons in the form of a consortium, joint venture, or a special purpose vehicle (SPV) of similar structure. |
| Unsuccessful Bidder | An “Unsuccessful Bidder” is a Qualified Bidder whose binding Project Proposal does not pass technical evaluation. |
| Successful Bidder | A “Successful Bidder” is a Qualified Bidder whose binding Project Proposal passes technical evaluation but whose Bid Price is more expensive than other projects adding up to the capacity limit tendered. |
| Preferred Bidder | A “Preferred Bidder” is a Qualified Bidder whose binding Project Proposal passes technical evaluation, whose Bid Price is among the lowest-priced projects adding up to the capacity limit tendered, and whose capacity and Bid Price the EIPC approves for the Procuring Entity to pursue. |
| Electricity Infrastructure Procurement Committee (EIPC) | The “Electricity Infrastructure Procurement Committee” (“EIPC”) is the Committee established under Regulation 4 of Electricity (Establishment of EIPC) Regulations 2016. |
| Main Grid | “Main Grid” means the interconnected electricity transmission network of mainland Tanzania, to which the largest cumulative capacity of electricity generating facilities is connected. |
| Isolated Mini-Grid | “Isolated Mini-Grid” means an electricity transmission and distribution network physically isolated from the Main Grid. |
| Standardized Power Purchase Agreement (SPPA) | “Standardized Power Purchase Agreement” (“SPPA”) means the power purchase agreement entered between the DNO/Buyer and SPP/Seller for the sale of electric power. |
| Interconnection Point | “Interconnection Point” means the location of the main meter (that measures and records the exchange of electricity) where the SPP/Seller’s facility electric output line or electric system feeds into the electric system to which it delivers power at 33 kV or below, whether owned by the DNO/Buyer or another entity, and is the point at which the DNO/Buyer or another entity assumes ownership or wheeling responsibility for the power received and measured by the main meter. |
| Contracted Capacity | The maximum power export capacity of the generating facility not exceeding the limit declared for Small Power Producer facilities. |
| Interconnection Facilities | All the facilities to be constructed by or for the Bidder to connect the small power project in a specified distance to the Interconnection Point of the grid substation. |
| Binding Capacity | The capacity allocated by the EIPC to a Preferred Bidder. |
| Forms | The Forms numbered 1 through 17 of Annex 1 and Annex 2. |
| Tables | The Tables numbered 12.1 through 12.9 and parts of Form 12-Solar or -Wind. |
| LRA Forms | The legal, regulatory, or administrative Forms numbered LRA-1 through LRA-21 in Annexes 3 and 4. |
| Buyer | The legal entity licenced by the Authority to purchase the energy output from the Project Company of a Preferred Bidder pursuant to an SPPA. |
| Seller | The Project Company formed by a Preferred Bidder to execute the proposed project. |
| Project Company | A special purpose vehicle duly created under the laws of Tanzania to execute the proposed project as approved by the Authority. |

# Second Generation SPP Framework

The Government of Tanzania (“GoT”) recognizes that renewable energy sources – including hydro, biomass, biogas, geothermal, wind, and solar – can increase and diversify the supply of electricity in Tanzania, while also presenting opportunities for increasing income and generating employment.

In 2008, the Energy and Water Utilities Regulatory Authority of Tanzania (“EWURA” or “the Authority”) promulgated Rules and Guidelines for development of small power projects ranging from 100 kW up to 10 MW (the “SPP Framework”) to capitalize on renewable energy opportunities.

In 2014, pursuant to section 19(2) of the EWURA Act, EWURA consulted stakeholders and prepared the Second Generation SPP Framework designed to respond to challenges identified during implementation of the First Generation SPP Framework and thereby further improve the conditions for small power project investments in Tanzania. The Second Generation SPP Framework covers the development of small hydro, biomass, wind, and solar energy projects of capacity ranging from 100 kW up to 10 MW, and is based on two approaches: a Renewable Energy Feed-in Tariff (“REFIT”) approach for small hydro and biomass (not grown-biomass energy plantation) projects with capacity from 100kW to 10kW; and a competitive bidding approach for wind and solar projects with capacity above 1MW up to 10MW.

Tendering of wind and solar small power projects will be conducted primarily through a Request for Qualification, identification of Qualified Bidders, a Request for Proposals, and selection of Preferred Bidders.

# Request for Proposal

The EIPC hereby invites Qualified Bidders who have the necessary qualifications as set forth in this RFP to bid on a first bid round of [ ] **MW** for commercial operation of small power projects using wind or solar power generation technologies or Hybrid Systems, and to sell the output electricity to a Distribution Network Operator (“DNO”) under a fixed-price SPPA for a term of **(25) twenty-five years**.

The proposed small power projects shall involve:

1. Installation of generating capacity;
2. Construction of Interconnection Facilities to inject at the Interconnection Point the electricity generated to the Main Grid or Isolated Mini-Grids owned and operated by a DNO; and
3. Operation and maintenance of the generating units.

Qualified Bidders will be notified by EIPC of their eligibility to submit a binding Project Proposal and Bid Price. Only Qualified Bidders are eligible to bid at the Request for Proposal stage.

**RFP Instructions**

# Key Information for Bidder

## Solicited Capacity

The EIPC hereby seeks binding Project Proposals for grid-connected wind and solar small power projects. Up to [ ] **MW** of nominal capacity will be awarded in this first bid round for connection to the Main Grid. For Isolated Mini-Grids, solar and wind small power project capacity will be tendered where the DNO has identified unmet existing or future demand, and in an amount commensurate with existing or planned substation capacity. In areas where there are existing generation facilities using fossil fuels, Qualified Bidders may be allowed to substitute up to 75% of the DNO’s existing operational generating capacity at any instance of time subject to the provisions of the Grid Code about safe dispatching of power and operation of the balancing fossil fuel power plants.

## Eligible Locations

### Projects are proposed to be located nearest to an existing substation to minimize the cost of interconnection lines. However, projects may be proposed at a reasonable distance from the existing substation depending on the findings of areas with good solar irradiations and sufficient wind speed. The Interconnection Point, i.e. location of the main meter, shall be at the small power project’s facility. Therefore, costs for interconnection facility will be borne by the Preferred Bidder and will be included in the Bid Price. Qualified Bidders should refer to Annex 2 of the RFQ (Existing and Future Transmission System Information) for eligible locations and recommended Interconnection Points on the existing transmission network. To assist Qualified Bidders in identifying eligible and preferable locations for small power projects, Annex 2 of the RFQ provides transmission system information, together with planned system expansion. Also included in Annex 2 of the RFQ is information regarding DNO’s current assessment of locations that have sufficient substation capacity.

## Land Rights

### The Qualified Bidder must submit proof of land rights, related interconnection corridors and zoning permission for construction and operation of the Interconnection Facilities connecting the project site with the Main Grid or an Isolated Mini-Grid for the duration of the SPPA. If the proposed small power project will comprise a capacity expansion project or Hybrid System at an existing or new power generation facility, the Qualified Bidder must describe the system set up and energy output flows of the system (see Form 16-Solar or -Wind).

## Applicable Power Purchase Agreements

### Qualified Bidders must submit with their binding Project Proposals a signed declaration accepting the terms of the applicable Standardized PPA, either for Main Grid-connected small power projects or for those connected to Isolated Mini-Grids owned and operated by the DNO. Notwithstanding that acceptance of the SPPA by the Qualified Bidder does not constitute any guarantee of the Qualified Bidder that its lenders will accept the SPPA. Current version of the SPPA is posted on the website www.ewura.go.tz and is included in LRA-16 of this RFP.

### The Authority and DNO recognizes that certain features of the SPPA published at www.ewura.go.tz may need to be modified to reflect the actual configuration of a small power project, and expects the Qualified Bidder, beyond the recommendations already submitted during the RFQ, to recommend additional necessary modifications only to the extent required to set out the information called for in the SPPA.

### The EIPC and DNO recognize that certain provisions of the SPPAs may be amenable to improvement for this, or any future, Solicitation. Qualified Bidders are invited to identify potentially challenging SPPA provisions, and to suggest improvements. The Authority and DNO emphasize that Qualified Bidders’ comments should be narrowly tailored to identify only those provisions that would prevent a Preferred Bidder to achieve financial close within a period of six (6) months after being declared a Preferred Bidder. The Authority and DNO will consider such tailored feedback, but assume no obligation or responsibility to amend the SPPAs or approve a modified SPPA.

Candidates should note that the Government of Tanzania expects investors to assume commercial risks in developing SPPs. Thus, Government Guarantee is not offered in this program.

## Facility Configuration

### Qualified Bidders are invited to select and offer their own configuration for the SPP including generating unit capacity layout, and technology. The Procuring Entity has no preference for the particular wind or solar technology adopted, provided that the technology is commercially proven for utility-scale grid-connected applications. Qualified Bidders should make technology selections considering the evaluation criteria adopted in this RFP, including the importance to the Procuring Entity of the cost of electricity and the lifecycle availability of the SPP output.

### Preferred Bidders ultimately will be responsible for designing, engineering, procuring equipment, and constructing the facility. All risks for constructing and bringing the facility into commercial operation will be borne by the Preferred Bidder.

### The capacity of any wind or solar power station will be limited to a maximum of 10 MW capacity contracted for purchase by the DNO, although the total installed capacity may exceed 10 MW and excess power may be for own use or may be wheeled through the public electrical network to an eligible customer..

# 4.6 Facility Connection

The Buyer is the legal entity designated by the Authority in the determinations to purchase the energy output from the Project Company of a Preferred Bidder.

The DNO is the legal entity responsible for distributing electricity through a distribution system. A Preferred Bidder whose facility is to be connected to the distribution system will be required, in its capacity as a customer of a DNO, to conclude a distribution agreement with a DNO prior to or simultaneously with the conclusion of the SPPA.

# Binding Project Proposal Submissions

## General Requirements

### To be eligible to bid on the first round for wind and solar small power projects, Bidders must be Qualified Bidders. No binding Project Proposal will be accepted from a Bidder that has failed to comply with these requirements and had not been listed by EIPC as a Qualified Bidder pursuant to the evaluation process set forth in the RFQ.

### To bid, each Qualified Bidder must complete and submit to EIPC all relevant Forms, Tables, and LRA Forms as listed in Annexes 1-4 and attached to this RFP. Qualified Bidders must provide all information requested therein or clearly indicate which information asked for in a Form and Table, or what LRA information cannot be provided at the time of bidding by inserting the bolded text “**NA**” in the appropriate field or entire form.

## Submission Procedures

### The RFP may be downloaded at the DNO website at <www.tanesco.co.tz>. Project Proposals must be received by the EIPC on or before the date shown in the Solicitation Schedule or such other later date as is set by the EIPC. Project Proposals received after the Proposal Deadline will not be accepted.

### Each Qualified Bidder shall submit to EIPC five (5) hardcopies and one (1) electronic copy in PDF format of:

### LRA-1: Project Proposal Submission Letter;

### “Technical Proposal” consisting of all completed Technical Assessment Forms and Tables in Annex 1 or Annex 2 in a clearly-marked, sealed envelope; and

### “Financial Proposal” consisting of LRA-2 through LRA-13 in a separate clearly-marked, sealed envelope (envelope in an envelope).

### All completed bid documents must be delivered in person or sent via mail (other means of transmission, including facsimile and e-mail, will not be accepted) to:

<EIPC secretariat at DNO postal and physical address>

### EIPC may refuse any completed Form, Table, or LRA Form of the Technical Proposal as listed in Annexes 1-4 where the requested information is not provided or the “not-available” information is not clearly marked “**NA”** in bold letters.

Where information is requested regarding a Project Company or entity that has not yet been legally formed, the Qualified Bidder should input information based on its good faith expectations regarding the yet-to-be-formed entity.

### Bidders receiving a determination of “Incomplete” for failing to complete the Form, Tables, or LRA Forms will be notified by e-mail of their status. There is no appeal from a denial due to an incomplete application; however, the Qualified Bidder will be informed which Form or Table of the Technical Proposal or which LRA Form is incomplete and shall be permitted to submit a complete application by e-mail within five (5) business days of being informed by email about the defects of its Technical Proposal.

### The list of Preferred Bidders for the first Capacity Addition Round will be posted on the DNO’s website at <www.tanesco.co.tz> by <Date>. The list of Unsuccessful Bidders that fail to pass technical evaluation will be notified by mail.

## Information Desk

Interested parties desiring any explanations regarding this RFP may contact <Entity> at the email address <**e-mail address**>. Parties should include the following wording in the subject line: “Questions on RFP-2016” or the relevant tender number.

## Clarifications

Any questions on the Solicitation must be submitted to EIPC in writing by the “Deadline for Submission of Clarification Questions” set forth in the Solicitation Schedule. To ensure clear communications, all clarification questions or statements must be submitted to EIPC in writing. Any party’s question or statement to which EIPC formally responds will be posted on the DNO website <www.tanesco.co.tz>.

EIPC will not be required to respond to any questions or statements from interested parties, and shall do so in its sole discretion.

## Supplemental Notices

Any substantial interpretation or clarification of this RFP, as reasonably determined by EIPC, or any change in the Schedule, these Instructions or the Annexes will be in the form of a Supplemental Notice. Each Supplemental Notice will be posted on the DNO website <www.tanesco.co.tz>. All Supplemental Notices shall become part of the terms and conditions of this RFP. No interpretation, revision or other communication regarding this RFP is valid, unless being made in writing and signed by an authorized EIPC representative or posted on the official DNO website <www.tanesco.co.tz>.

## 5.7 Strict Compliance Required

Qualified Bidders are cautioned to submit completed Forms, Tables, and LRA Forms in strict accordance with the RFP. A Technical Proposal that does not comply with these Instructions or Annexes will not be considered during the opening of the Financial Proposals. Qualified Bidders shall quote data in the manner specified in these Instructions and the relevant Annexes.

## 5.8 Accuracy Required

Each Project Proposal must set forth information that is complete, accurate, and sufficiently detailed to respond fully to this RFP or clearly state (“**NA**”) that the information asked for in Forms, Tables, and LRA Forms is **not available** at the time of bidding. The information asked for in the Forms, Tables and LRA forms is detailed and comprehensive enough to enable EIPC to make a fair assessment of a Qualified Bidder’s readiness to further execute and negotiate the proposed project for a successful financial close within six (6) months of being declared a Preferred Bidder by EIPC. It is the Qualified Bidders’ responsibility to provide documentation meeting these standards, and EIPC will not be under any obligation to request additional documentation if the submitted documentation is insufficient in the EIPC’s judgment.

## 5.9 Authentication

The Project Proposal is to be prepared by the Qualified Bidder and authenticated by signature of an officer or other agent authorized to sign on behalf of the Qualified Bidder (Form LRA-4 and LRA-5), along with a certificate of independent bid determination (Form LRA-12).

## 5.10 Evaluation Fee

Nofee will be charged for evaluating a Qualified Bidder’s proposal. However, a First and Second Bid Security will be required.

## 5.11 First and Second Bid Security

### 5.11.1 First Bid Security

The First Bid Security shall be 2 USD per kW of proposed capacity. The full amount of first security for each bid must be deposited by the bid deadline. Failure to pay by the bid deadline will result in disqualification of the bid.

**Refund policy of First Bid Security**

The First security is refundable under any of the below conditions:

* 1. The bid has not been successful;
  2. The Qualified Bidder withdraws its bid by submitting the LRA-14 form “Withdrawal of Bid” **before** the date of announcement of list of Preferred Bidders by EIPC; or
  3. The Preferred Bidder has paid the Second Bid Security.

### 5.11.2 Second Bid Security

The Second Bid Security shall be 25 USD per kW of proposed capacity. The Second Bid Security must be deposited by a Preferred Bidder within fourteen (14) banking days after announcement of the Preferred Bidders by EIPC. Failure to pay will lead automatically to cancellation of the capacity allocation and reallocation of this capacity to the next lowest-price bidder(s) on the list of Successful Bidders until the tendered capacity is exhausted or exceeded.

### Refund Policy of Second Bid Security

* 1. The full amount of the Second Bid Security is refundable without interest if the first day of commercial operation as specified in the SPPA is no later than twelve (12) months for solar projects or twenty-four (24) months for wind projects after the day of announcement of bid results by EIPC at the DNO website <www.tanesco.co.tz>.
  2. A pro-rated amount of the Second Bid Security is refundable without interest if a Preferred Bidder cancels more than 20% of its Binding Capacity within six (6) months after the day of announcement of Preferred Bidders by EIPC, by submitting LRA-21.
  3. None of the second bid security amount is refundable six (6) months after the day of announcement of the Preferred Bidders by EIPC unless the project reaches commercial operation within twelve (12) months for solar projects or twenty-four (24) months for wind projects as described in subsection (a) above.
  4. None of the second security amount is refundable if Buyer or Seller withdraws under applicable provisions of the SPPA.

## 5.13 Multiple Proposals

### A Qualified Bidder may submit multiple bids for projects to be developed in the same site or several projects at various locations as long as the cost of interconnection and the required system upgrade to accommodate the interconnection are factored in a bid price, provided that, bids from such developer shall not exceed 30% of the total declared procurement capacity.

### Each Project Proposal must be submitted individually in accordance with the Submission Procedures. Each Project Proposal will be evaluated separately on its own merits.

## 5.14 Receipts

At the time of delivery of a Project Proposal, EIPC will issue a receipt for that delivery. The Authority will also post on the official website <www.ewura.go.tz> a list of all Qualified Bidders submitting Project Proposals after the Proposal Deadline passes.

# Binding Project Proposal Evaluation

## Evaluation Criteria

### The key criteria for evaluation are whether the Qualified Bidder:

### Possesses technical capability to develop a small power project;

### Demonstrates financial solvency and commercial good standing; and

### Possesses land control and zoning approvals for a proposed project site.

### Specifically, the Qualified Bidder must be legally, technically, and financially qualified to execute the proposed project and meet other minimum qualification criteria such as the completion of:

### Technical Assessment Forms and Tables

* + Form 4 – Exemplary Solar Plant/Wind Farm Design
  + Form 5 – Candidate’s Exemplary Financial Model Information
  + Form 6-Solar or -Wind
  + Form 7-Solar or -Wind
  + Form-9 Solar or -Wind
  + Form10-Solar or -Wind
  + Form 11-Solar or –Wind
  + Table 12.1-Solar or -Wind and at least two data sets for Solar or one data set for Wind
  + Table 12.3-Solar or - Wind
  + Table 12.4-Solar or -Wind: Table-D and Table-S
  + Table 12.7-Solar or -Wind with Qualified Bidder’s response to any single question
  + Table 12.8 Solar or -Wind
  + Table 12.9-Solar or -Wind
  + Form 14-Solar or -Wind
  + Form 15-Solar or -Wind
  + Form 16-Solar or –Wind and Figure-16
  + Form 17-Solar or -Wind

**LRA Forms**

* + LRA-1: Project Proposal Submission Letter
  + LRA-2: Financial Proposal Form
  + LRA-3: Form of First Bid Guarantee
  + LRA-4: Letter(s) of Intent
  + LRA-5: Declaration of Qualified Bidder
  + LRA-12: Certificate of Independent Bid Determination
  + LRA-13: Confidentiality Undertaking
  + LRA-15: Form of Second Bid Guarantee within fourteen (14) working days of becoming a Preferred Bidder

## Electricity Infrastructure Procurement Committee (EIPC)

## EIPC will be convened by the Procuring Entity and will complete all phases of the evaluation process on behalf of the DNO and report findings to the Authority with its recommendations for action by the DNO.

## At the first opening session, the EIPC will open the outer envelope of the Proposal containing the Project Proposal Submission Letter (LRA-1), the Technical Proposal and Financial Proposal, both in clearly marked separate envelopes. Promptly after that opening, the EIPC will post on the DNO website <www.tanesco.co.tz> the number of proposals received.

## Following the first opening session, the EIPC will evaluate the documents provided in the envelope clearly labelled “Technical Proposal” containing the Forms 1 to 17 and Tables 12.1-12.9 for compliance with the Solicitation procedures and requirements and instructions provided in the Forms and Tables as the case may be, for meeting threshold levels of Technical Proposal quality and completeness.

## Individuals on the EIPC or acting under its direction may be nominated to review aspects of the technical and financial information contained in the Forms and Tables within that individual’s discipline and propose a recommendation for adoption by the EIPC. The review of aspects of each Form and Table will be allocated by discipline. Reviewers will be aware of all information of the Technical Proposal under review.

## Reviewers will not disclose or discuss the information under their review with other reviewers until all reviews of the Technical Proposals have been completed and submitted to the full EIPC.

## Based on the findings during the review of the Technical Proposals, the EIPC will recommend to the DNO in writing those Qualified Bidders that should become Successful Bidders. The EIPC recommendation to the DNO will contain as attachments the completed review sheets and other records of the Committee proceedings.

## Following the approval of Successful Bidders, the DNO will announce the Successful Bidders on the date specified in the Solicitation Schedule on its official website <www.tanesco.co.tz>. Unsuccessful Bidders will be notified by mail.

## At the Second Opening Session, the EIPC will open Financial Proposals submitted by the Successful Bidders.

## The EIPC will immediately proceed to evaluate all Financial Proposals submitted by Successful Bidders using the data provided by the bidders.

## The EIPC will then rank the Financial Proposals according to their Bid Prices and recommend to the DNO a list of Preferred Bidders. The Preferred Bidder list shall be formed by sequentially ranking the Financial Proposals from the lowest Bid Price (being of highest rank) to the highest Bid Price (being the lowest rank) until the amount of Binding Capacity allocated to proposed projects reaches or exceeds the amount of capacity available for that Capacity Addition Period. The entire proposed capacity of the lowest-ranked Preferred Bidder will be accepted, even where that allocation would exceed the capacity limit (i.e. the theoretical maximum for this Capacity Addition Round is 110 MW, if the declared capacity is 100 MW).

## All final determinations will be made in writing or by resolution by an appropriately authorized Person or Persons on behalf of the EIPC, but may be reviewed and rejected by the DNO within fifteen (15) business days.

## The DNO will prepare a written report stating whether it endorses the EIPC’s recommendation and a brief statement of the grounds for its endorsement or rejection.

## The DNO will notify the Preferred Bidders via e-mail and announce the Preferred Bidders on the relevant date specified in the Solicitation Schedule on its website <www.tanesco.co.tz>.

## Records of Proceedings

### All determinations of the DNO in connection with the Solicitation shall be in writing and accompanied by a brief statement of the facts and analysis upon which such determination is based and may incorporate other documents and information by reference.

### Minutes of all proceedings of the EIPC and the DNO in connection with the Solicitation will be prepared and kept in the records and archives of the DNO.

### The DNO may record and publish the names of any Bidder, the presence or absence of the requisite documentation, or such other details as the DNO, at their discretion, deem to be in the public interest.

### EIPC reserves the right to rescind any Bidder’s “Preferred Bidder” status if it is determined that the facts provided by the SuccessfulBidder are inaccurate.

## Appeals

### Where a timely and completed Proposal results in an “Unsuccessful” status, an appeal can be made. The Unsuccessful Bidder may file a completed letter of appeal to the Public Procurement Regulatory Authority (“PPRA”), which must be received by PPRA on or before the allowable number of days following the Bidder’s receipt of notice of “Unsuccessful” status.

### Unless a timely appeal is filed, the Unsuccessful Bidder waives any and all rights to challenge the decision of the EIPC.

### The letter of appeal must include a written statement specifying in detail each and every one of the grounds asserted for the appeal. The letter of appeal must be signed by an individual authorized to represent the Unsuccessful Bidder, and must cite the relevant section of the RFP and its Forms, Tables, or LRA Form**s** on which the appeal is based. In addition, the Unsuccessful Bidder must specify facts and evidence sufficient for PPRA to determine the validity of the appeal.

### Appeals or notices of appeals made orally (e.g., by telephone) will not be considered. Letters of appeal must be delivered to:

<PPRA Address>

### If the Unsuccessful Bidder files a complete and timely letter of appeal, a review of the appeal shall commence as soon after receipt of the request as practicable. The review shall be based upon the information submitted by the Unsuccessful Bidder in its letter of appeal and the requirements of this RFP. The decision of PPRA is final.

# Solicitation Schedule

EIPC expects the SPP Competitive Bidding process to proceed along the following timeline, beginning with announcement of the RFQ:

|  |  |  |
| --- | --- | --- |
| **Time** | **(mos.)** | **Event** |
|  | **0** | **Announcement of Request for Qualification** |
| **+45 days** | **1.5** | **Deadline for submission of completed Qualification Questionnaires** |
| **+1 month** | **2.5** | **Posting of list of Qualified Bidders on DNO website** |
| **+ 1 week** | **2.75** | **Notification of Candidates that received a determination of “Not Qualified” by mail** |
| **+ 1 week** | **3.0** | **Deadline for filing a letter of appeal as response to the “Not Qualified” determination for 1MW to 10MW solar of wind projects.** |
| **+ 2 weeks** | **3.5** | **Notification of Request for Proposals by Qualified Bidders and issuance of RFP for 1MW to 10MW solar and wind projects** |
| **+ 9 months** | **12.5** | **Deadline for submission of binding Project Proposals for solar projects 1MW to 10MW, with First Bid Security Payment** |
| **+ 15 months** | **18.5** | **Deadline for submission of binding Project Proposals for wind projects 1MW to 10MW, with First Bid Security Payment** |
| **+ 2 months** | **14.5** | **Posting of the list of successful Solar Project Proposals on DNO website** |
| **+ 2 months** | **20.5** | **Posting of the list of successful Wind Project Proposals on DNO website** |
| **+ 2 weeks** | **15** | **Deadline for Second Bid Security Payment solar projects** |
| **+ 2 weeks** | **21** | **Deadline for Second Bid Security Payment for wind projects** |
| **+ 6 months** | **21** | **Deadline for Successful Bidders to submit Successful Bid Withdrawal Form to DNO for solar projects to receive refund pro-rated for withdrawn capacity** |
| **+ 6 months** | **27** | **Deadline for Successful Bidders to submit Successful Bid Withdrawal Form to DNO for wind projects to receive refund pro-rated for withdrawn capacity** |
| **+ 12 months** | **33** | **Deadline for commercial operation date (COD) for solar**  **and any remaining refund or loss of Second Bid Security Payment** |
| **+ 24 months** | **51** | **Deadline for commercial operation date (COD) for wind**  **and any remaining refund or loss of Security Payment** |

# Terms and Conditions Governing this RFP

## Reservation Rights of EIPC

The issuance of this RFP does not constitute an agreement by EIPC that any subsequent selection process will occur or that any contract will be entered into by the Procuring Entity.

This Solicitation is not structured or intended to be a REFIT procurement programme. The Authority remains empowered, at the time of considering any license application, to make a tariff determination taking into consideration all relevant factors, including statutory tariff principles provided for pursuant to the Electricity Act, Cap 131.

**EIPC expressly reserves the right at any time to**:

1. Waive any defect or informality in any submitted Project Proposal or the procedure set forth in this RFP;
2. Cancel this RFP and initiate a new Request for Proposals;
3. Issue revised versions of the SPPAs and Implementation Agreement during the course of the Solicitation;
4. Select or not select any one or more Qualified Bidder(s) as a Preferred Bidder;
5. Cancel or suspend procurement of any or all of the projects pursuant to the Solicitation.

## Objection to RFP Terms

### If a Qualified Bidder objects on any ground to any provision or legal requirement set forth in this RFP, the Qualified Bidder must, not more than ten (10) days after the RFP is issued, provide written notice to EIPC setting forth with specificity the ground(s) for the objection. The failure of a Qualified Bidder to object in the manner set forth in this paragraph shall constitute a complete and irrevocable waiver of any such objection.

## Confidentiality

RFP information may include proprietary or confidential information. EIPC will take reasonable precautions and use reasonable efforts to protect such information, provided that such information is clearly identified as proprietary or confidential on the page on which it appears. The DNO reserves the right to release such information to its advisors or consultants for purposes of evaluating and statistical evaluation of data. The DNO and its agents and consultants will not be liable for any damages resulting from any inadvertent disclosure before, during, or after the RFP process. The Qualified Bidder is requested to complete Form LRA-13.

## No Liability

The DNO will not reimburse any Qualified Bidder for any costs or expenses incurred in the preparation or submission of a Project Proposal. The DNO will not be responsible for any loss or damage resulting from disqualification or loss of any Project Proposal.

## Due Diligence

Each Qualified Bidder shall be deemed to have carefully examined all of the terms, conditions and specifications of this RFP, and also to have fully informed itself as to all conditions affecting development of the small power project. Failure to do so is at the Qualified Bidder’s risk, and no claim will be considered at any time for reimbursement of any expenses incurred as a result of any misunderstanding with regard to the conditions imposed by this RFP.

## Grievances

An aggrieved Qualified Bidder must lodge with the Public Procurement Appeals Authority any complaint with respect to the Authority’s action on the Solicitation pursuant to Public Procurement Act, 2011. Failure to do so will constitute a waiver of the right to do so.

# Annexes to These Instructions

The following Annexes to these Instructions are incorporated herein by reference:

Annex 1 – Forms 1-17-Solar (for Solar facilities)

Annex 2 – Forms 1-17-Wind (for Wind facilities)

Annex 3 – LRA-1-14 for Qualified Bidders

Annex 4 – LRA Forms 15-21 for Successful Bidders