

REQUEST FOR EXPRESSIONS OF INTEREST
CONSULTING SERVICES

Selection # as assigned by e-Tool: RG-T3108-P003

Selection Method: Simplified Competitive

Country: Jamaica

Sector: Energy

Funding – TC #: ATN/KK-16959-RG

Project #: RG-T3108

TC name: Support for Sustainable Energy and Resilient Projects in the Caribbean

Description of Services: Renewable Generation Procurement Guidelines

Link to TC document: [Approved TC Document RG-T3108](#)

The Inter-American Development Bank (IDB) is executing the above-mentioned operation. For this operation, the IDB intends to contract consulting services described in this Request for Expressions of Interest. Expressions of interest must be delivered using the IDB Portal for Bank Executed Operations (<http://beo-procurement.iadb.org/home>) by: **20 September 2021**, 5:00 P.M. (Washington D.C. Time).

The consulting services (“the Services”) include supporting the Generation Procurement Entity (GPE) by developing the general generation procurement guidelines and rules to commence the generation procurement activities and the specific procurement rules for renewables aligned with Jamaica’s Integrated Resource Plan (IRP) following best international practices and their needed adaptations for the Jamaica context. The services are expected to be completed by August 31, 2022.

Eligible consulting firms will be selected in accordance with the procedures set out in the Inter-American Development Bank: [Policy for the Selection and Contracting of Consulting firms for Bank-executed Operational Work](#) - GN-2765-4. All eligible consulting firms, as defined in the Policy may express an interest. If the Consulting Firm is presented in a Consortium, it will designate one of them as a representative, and the latter will be responsible for the communications, the registration in the portal and for submitting the corresponding documents.

The IDB now invites eligible consulting firms to indicate their interest in providing the services described above in the [draft summary](#) of the intended Terms of Reference for the assignment. Interested consulting firms must provide information establishing that they are qualified to perform the Services (brochures, description of similar assignments, experience in similar conditions, availability of appropriate skills among staff, etc.). Eligible consulting firms may associate in a form of a Joint Venture or a sub-consultancy agreement to enhance their qualifications. Such association or Joint Venture shall appoint one of the firms as the representative.

Interested eligible consulting firms may obtain further information during office hours, 09:00 AM to 05:00 PM, (Washington D.C. Time) by sending an email to: Roberto Aiello at raiello@iadb.org.

Inter-American Development Bank

Country Office Jamaica

Division: Energy

Attn: Roberto Aiello – Program Team Leader

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DRAFT TERMS OF REFERENCE

RENEWABLE GENERATION PROCUREMENT GUIDELINES

1. Background and Justification

- 1.1. In 2009, the Government of Jamaica (GOJ) identified energy conservation and efficiency, energy diversification and increased renewable energy penetration as key objectives in its National Energy Policy (NEP) 2009-2030. Similarly, the GOJ established a target of 20% renewables on the national grid by 2030. Following the completion of the Integrated Resource Plan (IRP) 10 years later, the GOJ increased its target for renewable energy penetration to 50% by 2037.
- 1.2. The OUR had the mandate to administer generation procurement for system expansion from 2004-2015. In carrying out their responsibility, the OUR issued several requests for proposals for the supply of generating plants on a “Build, Own and Operate (BOO) Basis”. The last issued Requests for Proposals to renewable energy investors was in July 2015, for 37 MW.
- 1.3. The Generation Procurement Entity (GPE) was established through the Electricity Act, 2015¹, with responsibility for procuring new generation and managing the replacement of generation to meet the national generation demand prescribed by the IRP. The Electricity Act, 2015, also mandates the GPE with the responsibility to manage and administer the process for procurement via competitive bidding of generation capacity by potential Independent Power Producers (IPPs). In carrying out this mandate, the GPE must also establish protocols and rules governing critical aspects of procurement to ensure appropriate transparency and continuity to attract the level of investment needed.
- 1.4. The IDB assisted the Government of Jamaica with developing the Integrated Resource Plan through the Ministry of Science, Energy, and Technology (MSET) in collaboration with the Jamaica Public Service (JPS), the Office of Utilities Regulation (OUR), IPPs and other key stakeholders. JPS is the sole vertically integrated electric entity licensed to transmit, distribute and supply electricity in Jamaica. It has installed capacity of approximately 640MW complemented with firm capacity of 262MW purchased from IPPs through Power Purchase Agreements (PPAs) including approximately 121MW from renewable energy sources.
- 1.5. In executing its mandate, the GPE has to develop the competitive procurement bidding process and protocols to commence the activities in an open and transparent manner. Therefore, to facilitate the appropriate tasks and decisions by the GPE, the Entity requires international expertise to strengthen its technical capacity to understand best practices and drafting the procurement rules and protocols to attract investments. These established procurement protocols will facilitate the procurement of at least 268MW.
- 1.6. The GOJ has requested the IDB support to strengthen the GPE’s technical capacity and project management skills, as well as assist the GPE and its legal counsel with the drafting of generation procurement rules, undertaking renewable energy procurement, and engineering support services aligned with the IRP.

2. Objectives

- 2.1. The general objective is to support the Generation Procurement Entity by developing the general generation procurement guidelines and rules to commence the generation procurement activities and the specific procurement rules for renewables aligned with Jamaica’s Integrated Resource Plan (IRP) following best international practices and their needed adaptations for the Jamaica context.

¹ [Electricity Act, 2015](#)

- 2.2. **Specific Objective 1:** Conduct a preliminary review of the existing procurement procedures in Jamaica and legislation relevant to the GPE's mandate to identify gaps and make recommendations that follows international best practices and comply with Jamaica's general procurement rules.
- 2.3. **Specific Objective 2:** Develop the Generation Procurement Procedures and Protocols for the Generation Procurement Entity to establish a transparent and competitive procurement process. Rules of general application that apply to procuring of generation and the specific rules for when a tender will focus on renewable procurement. This is, specific procurement rules, following the general guidelines that will apply for tenders that procure only renewable generation.

Generation Procurement Procedures and Protocols should include objectives of the procurement, participants, products to be procured, general qualification requirements, process to evaluate bidders, guarantee requirements, process to present proposals, evaluation criteria and contracts to be awarded,

- 2.4. **Specific Objective 3:** Support GPE in developing all the elements of the contracts to be awarded for renewable energy procurement.

3. Scope of Services

- 3.1. The scope of services is as follows: i) conduct a preliminary review of existing procurement procedures and legislation to identify gaps and make recommendations; (ii) assist the GPE and its legal counsel with the drafting and development of generation procurement procedures and protocols for the GPE and the specific rules for renewable energy procurement ; (iii) assist GPE and its legal counsel on drafting of the elements of contracts and assist with the bidding process and drafting of RFPs; and (iv) assist the GPE to develop its knowledge and capacity on the best practices for renewable energy procurement.

4. Key Activities

- 4.1. The key activities to support the outputs are:

- (a) Review the existing generation procurement procedures previously carried out by the Office of Utilities Regulation and other national legislation and regarding the electricity sector, and the roles of the Generation Procurement Entity
- (b) Identify relevant legislation and gaps pertinent to the procurement process and make suitable recommendations as to the best procurement rules to be used for generation procurement based on international experience and Jamaica's general procurement procedures to establish international standards of open, transparent, competitive generation procurement for the Generation Procurement Entity.
- (c) Assist the GPE and its Legal Counsel to prepare and deliver for approval the Generation Procurement Rules and Protocols that includes:
 - a. Drafting suggestions on model terms of the procurement rules for generation procurement for:
 - i. Rules for vertically integrated electric entities when involved (uninvolved) in the competitive bidding process
 - ii. Rules for RE Power Plant Expansion Proposals.
 - iii. Rules for JPS Right of First Refusal (ROFR) clause
 - iv. Rules for JPS replacing baseload units (firm capacity) using RE sources

- v. Rules for Cogeneration Power Plant Proposals
 - vi. Rules for observers and Consultants in the GPE's procurement process
- b. Defining the type of bidding process and proposing the best technological platform for the procurement process, particularly as it relates to the GPE's e-procurement website;
 - c. Proposing a transparent process and algorithm/formulae to define the winners;
 - d. Defining the requirements (technical, financial, guarantees and others) for players to bid;
 - e. Designing an evaluation mechanism of the bid model and recommend other options;
 - f. Support GPE on drafting standard PPA contracts to be signed with successful bidders
 - g. Support the drafting of the request for proposals documents
 - h. Supporting the identification of the best practice template and set of documents suitable for the general procurement rules and guidelines should be of general application for each specific technology specific tender.
 - i. Develop together with the GPE and its legal counsel detailed RFPs for applying the general guidelines when the tender is related to renewable energy, this includes all needed documentation in the RFP, evaluation criteria, annexes on how to present information, draft contracts, guarantee requirement among other.
- (d) Conduct research on local and international entities procurement best practices based on energy technologies specifications and recommend the best practices to considered;
 - (e) Assist under GPE orders with consultations with other government stakeholders (MSET, OUR) and private sector (financiers, developers, and potential investors) open consultations.
 - (f) Assist GPE in the determination of the maximum prices for the bidding process for renewable energy procurement.
 - (g) Support the GPE on broad consultations with the private sector, banking community and on the procurement rules
 - (h) Support the drafting of contracts and assist with the bidding process and draft the Requests for Proposals in coordination with GPE and its legal counsel
 - (i) In general, provide expert advice to the GPE to establish an end to end transparent and competitive procurement process

5. **Expected Outcome and Deliverables**

- 5.1. **Deliverable 1:** Prepare a Workplan in accordance with the scope of work;
- 5.2. **Deliverable 2:** Inception Report – based on a comprehensive review of existing procurement procedures from

OUR and other GOJ procurement policies, identify gaps, and make suitable recommendations; this deliverable will include the organization of a workshop on best practices for renewable energy procurement to develop capacity of GPE member

- 5.3. **Deliverable 3:** Final draft Generation Procurement Procedures and Protocols, rules, award mechanisms that incorporate the recommendations and aligned with international best practices;
- 5.4. **Deliverable 4:** Draft best practice contract template and requests for proposals documents in details for specific tenders for renewable energy
- 5.5. **Deliverable 5** Final draft contracts and requests for proposals documents that incorporate feedback from MSET, GPE and the IDB
- 5.6. **Deliverable 6:** Provide a Technical Report on the analysis of the end-to-end RFPs process and make recommendations to improve the efficiency of the procurement process.

6. Project Schedule and Milestones

6.1. The duration of the Consultancy will be 8 months:

Deliverables	Estimated Duration to complete
a) Workplan	Within 20 days of contract signing
b) Inception Report	Within 1 month of contract signing
c) Final draft Generation Procurement Procedures and Protocols, rules, award mechanisms.	Within 2 months of contract signing
d) Draft contracts and requests for proposal documents	Within 4 months of contract signing
e) Final draft contracts and requests for proposal documents	Within 6 months of contract signing
f) Technical Report	Within 8 months of contract signing

7. Reporting Requirements

7.1. All reports must be completed in English. Reports should contain a contents page and an executive summary.

8. Acceptance Criteria

8.1. Deliverables will be accepted based on agreements on scope of services herein and approach reached with consultants at inception. Additionally, deliverables will be reviewed and approved by Dr. Malaika Masson, Senior Regional Energy Specialist. As per the scope of the Consultancy, and as appropriate, Dr. Masson will also consult with key sector stakeholders regarding their level of satisfaction in relation to deliverables targeting them and for which they have provided input.

9. Other Requirements

9.1. It is expected that the work will be carried out by at least three experts: one economist, one renewable energy auction expert, and one generation expert all with broad experience on generation procurement, contracts drafting, as well as experience on procurement of renewable generation best practices and renewable energy auctions and have master's degree in engineering, economics, or in similar field of expertise, or equivalent qualification. At least ten (10) years' international experience related to and specifically on preparing generation tender documents and deep understanding of competitive generation procurement best practices globally and

renewable energy auctions. Must have good knowledge of Government of Jamaica procurement rules and procedures will be an advantage.

10. Supervision and Reporting

10.1. The Energy Portfolio is supervised by Dr. Malaika Masson, Senior Regional Energy Specialist (INE/ENE) based in CJA. The Consultancy will be supervised and report to Dr. Malaika Masson. The day-to-day main counterpart at the GPE entity will be its Chief Technical Expert, key deliverables will be presented for endorsement by all GPE members, and the consultant will interact with GPE legal counsel who will be taking and considering consultant inputs to develop the final legal documentation based on full inputs by the consultant.

11. Schedule of Payments

11.1. Payments will be made in United States Dollar (USD) and will be paid based on the submission of the following

Deliverables	%
a) Workplan	10%
b) Inception Report	10%
c) Final draft Generation Procurement Procedures and Protocols, rules, award mechanisms.	20%
d) Draft contracts and requests for proposal documents	15%
e) Final draft contracts and requests for proposal documents	20%
f) Technical Report	25%