



Department of Public Lands and Buildings

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Request for Proposal - ADDENDUM No. 2

DATE: 02/09/22

METHOD OF DELIVERY: WEBPAGE

PROJECT NAME & NO.: Government Solar Development Project SPVPP04

RE: Pre-Bid Clarification Meeting Q&As / Document Amendments

TO: Proponents

The following information supplements and/or supersedes the RFP documents dated July 18th 2022

This RFP Addendum forms part of the contract documents and is to be read, interpreted and coordinated with all other parts. The following revisions supersede the information contained in the original documentation issued for the above-named project to the extent referenced and shall become part thereof. Acknowledge receipt of this RFP Addendum by inserting its number and date on the RFP Form. Failure to do so may subject the Proponent to disqualification.

Pre-Bid Clarification Meeting – Round #1 Questions and Answers

Q1. C202, C208, C216 are above 500kW?

A1. Based on the design and the size of the system installed and the inverter technology used no site should exceed the 500kWac distributed generation licensing threshold. See revised capacities in document **Annex B-1 Site Locations Amended**

Q2. Is there a window allowed for site visits?

A2. A site visit will be arranged for the three preferred bidders who make it to Round #2 of the RFP selection process. **Annex B-1 Site Locations Amended** outlines all of the sites in detail.

Q3. Does the Government have the option to spread the award between multiple awardee's?

A3. Government intends to contract with one Lessor, but that Lessor can subcontract to multiple EPC's and subcontractors.

Q4. The load analysis of all the roofs completed?

A4. The sites listed were selected based upon the preferred condition. However, a comprehensive load analysis was not completed.

Q5. Has there been a complete civil analysis of each rooftop for suitability of solar installation? Likewise for metering and receipt of AC power. Will those documents be made available pre bid?

A5. See Answer A4 above. A comprehensive power analysis was not completed.

Q6. Will there be site visits?

A6. See Answer A2.

Q7. If any work required to strengthen the roofs is required, would it be extra as actual or Government will do it on their own expense?

A7. We do not believe that there will be additional roof work required. If there is, we will have a mechanism in the tender to either skip that site or execute a change order based on the requirements to strengthen the roof.

Q8. Is the successful bidder expected to develop and process 32 individual DAP1 Planning & Building permit applications with attendant planning fees and engineering stamping fees as well as 32 BELCO interconnection agreements or will government be putting in place a streamlined planning conduit for the project. And, if so, how will it work?

A8. Consultation with the Department of Planning has already started. The Government Project Team will support the developer through the planning application process. Individual BELCO interconnection agreements will be required and will be the responsibility of the Lessor. The proposed lease rate should exclude local unknowns such as fees for permitting etc. Any updates will be provided in future Q&As.

Q9. What's the deal currency?

A9. Bermuda Dollars

Q10. Should permit fees be included in pricing?

A10. No, as per [Annex A – Pricing Form](#), the proposed lease rate should exclude local unknowns such as fees for permitting etc.

Q11. What sort of securities are expected to be provided by the successful bidder after the award of the contract? What is the % of the final contract value if any security is needed?

A11. All insurance requirements can be found in the main RFP Document [SPVPP04 Bermuda Government Solar Development Project - Appendix A Form of Agreement - Section 2.6.](#)

Q12. Annex J - plant performance information requests 5 and 7 MW options, please explain?

A12. Project capacity was reduced to 6 MW. See Annex B - Site Locations Amended. To allow some flexibility in the proposal we are requesting a 5 MW option and a 6 MW option.

Q13. Are there exemptions on custom duties for this renewable project?

A13. There is currently a 0% duty rate on all renewable energy systems and equipment imported into Bermuda - [Bermuda Customs Tariff 2022](#)

Q14. Cat 5 rating requirement despite the roofs not being rated for the same severity, please clarify how this would be implemented?

A14. A Cat5 rating requirement would be required for all roof-mounted solar installations.

Q15. Many of the selected buildings will, at certain times of the year, be major exporters of energy at the heavily discounted FIT rate of \$0.2265. Will the government and/or the RAB be guaranteeing a 'known and fixed' FIT rate for the lifespan of the project. If not, how can we calculate the ROI over the 25-year lifespan with a variable FIT.

A15. Please use the current FIT of \$0.2265 for your analyses/submissions.

Q16. The Technical analysis for all the sites is done considering the existing cables and Electrical panels at the sites have the capacity for Solar Connection, or any improvements have to be made who would bear the cost for such improvisations.

A16. Any additional equipment or significant electrical upgrades required, would be captured through a change order.

Q17. In Round #2 with the three preferred bidders, will site visits be allowed?

A17. See A2.

Q18. What is the preferred equipment lease term?

A18. 25-years with an annual buy-out.

Q19. How are 30+ interconnection agreements going to be coordinated with BELCO and will the bidders get relief for inevitable delays?

A19. The selected Proponent will be responsible for the interconnection agreements with BELCO. The Project Team will work closely with the selected Proponent to provide support as needed.

Q20. In addition to adding solar, many of the buildings will also require significant upgrades to the existing electrical infrastructure to accommodate the solar interconnection. How will the ownership of the electrical upgrades be required?

A20. Proponents are required to submit proposals inclusive of all infrastructure to accommodate the solar interconnection. The Government will provide a mechanism for change orders based on the requirements to upgrade electrical infrastructure.

Q21. Does local content requirements exclude equipment which is not produced on island and limited to labor and services?

A21. Yes. The local labor requirement is 45% as outlined in the main RFP Document [SPVPP04 Bermuda Government Solar Development Project - Appendix D Section 4.3](#)

Q22. The timing from award of contract to commercial operation of the projects is 6 months, will there be flexibility given the labour pool?

A22. The RFP provides for 9 months from contract signing (July '23) through final commissioning (Mar '24). Proponents are expected to submit a detailed project plan including consideration for labor/resource considerations, key risks and mitigation strategies. See [Annex H Scope of Work and Logistics](#) and [Annex I Project Plan](#).

Q23. The mix of electricity valued at 'retail' versus 'FIT' rates is heavily dependent on the usage of the building during the lifespan of the project and significantly affect the ROI for the investor. How will government handle a significant change of use of a building that affects the value of the solar electricity.

A23. The Government is aware that building usage or consumption at each site may vary over time. Any such changes will not impact on the equipment lease rate.

Q24. Site visits for shortlisted bidders will be necessary for firm, fixed EPC bids

A24. See A2

Q25. Will Lessor or the Lessee benefit from the FIT given this is an equipment lease?

A25. The Lessee (the Government) would benefit financially from the FIT.

Q26. If the contract is a fixed lease payment from the Lessee (gov) to the Lessor, would the export at FIT rate/self-consumption risk be with the government?

A26. Yes. See A23 and A25.

Q27. Is the Government responsible for the interconnections with BELCO?

A27. No, See A8

Q28. To submit the proposal, bidder must have an SPV incorporated in Bermuda, or this requirement must only be met by the selected bidder?

A28. The SPV must be incorporated at the time of the selected proponent(bidder) executing the contract with the Government.

Q29. What is the definition of "Fee" as it pertains to the performance bond that is required to be outstanding until 1 year post-construction?

A29. This question will be answered in Q&A Responses Round #2

Q30. Given the significant time and cost of incorporating a joint venture entity can the incorporation and definite documentation take place upon contract award? Draft term sheet will be shared at the time of submission.

A30. See A28

Q31. Contractors and subs are required to be submitted for pre-approval, when is the list required to be final?

A31. At the time of the bid submission.

Q32. Won't the Gov't benefit from the net metering?

A32. See A25

Q33. Will building load data be shared to measure net metering?

A33. Building load data is not available. However, consumption data will be provided as part of Q&A Responses Round #2

Q34. Will a bulk generation license be required for projects over the 500 kW size? Or will they fall under the large-scale self-supply license because the solar will accommodate for the demand of the site?

A34. No, all individual sites will be captured under a Distributed Generation license < 500kWac.

Q35. Requirement for the bid to be incorporated in Bermuda or to sign the lease? Timing kind of tight to form a SPV in Bermuda.

A35. See A28

Q36. Is there 15-minute load data available?

A36. No.

Q37. These projects will require permitting approval from several stakeholders who operate on their own timelines, will a streamlined process be used for this group of projects to meet the timeline outlined in the RFP?

A37. Yes. Each stakeholder will be consulted, and timelines will be streamlined prior to project commencement.

Q38. When will the detailed BELCO data be made available for each building.

A38. See A33.

Q39. Contractors and subs are required to be submitted for pre-approval, when is the list required to be final?

A39. See A31.

Q40. Will the standard planning and building control fees be applied to each DAP1 application.

A40. See A9.

Q41. Were the project sizes based on the consumption monitoring for those facilities?

A41. The sites were selected based on roof space, availability and consumption. Some production may exceed the demand/consumption at a particular site falling into the FIT scope. In all cases, these sites are ideal based on consumption, square footage, and use space.

Q42. Please clarify that any ancillary or FIT revenue will be for account of the Lessee

A42. See A25.

Q43. Lessor also responsible for installation, schedule and price. O&M remains with Lessor?

A43. Yes, the Lessor is responsible for the final design, the installation, the schedule, and the comprehensive equipment lease price. The O&M will be required from the Lessor including annual maintenance, warranty calls and any required repairs or replacements that fall outside of specific equipment warranties. Bidders should provide a transparent routine annual O&M budget and a "maintenance reserve fund" that builds year over year to cover the costs of equipment replacement, shipping and labor.

Q44. Would site maintenance or repair be at our cost?

A44. See A43.

Q45. Successful bidder will be responsible for the O&M of the Solar power plant for the lease time?

A45. Yes. See A43

Q46. It is understood that the operation and maintenance of the first year must be carried out by the lessor and that it is optional for the lessor to offer this service as of year 2. If the lessee decides not to take the O&M service as of year 2, and considering that the assets belong to the lessor, will the lessee be wholly responsible for managing the asset?

A46. The footnote at Annex A – Pricing Form was removed. The Lessor will be responsible for operation and maintenance

during the term of the lease.

Q47. Will the Government be carrying windstorm insurance for each site?

A47. The Lessor will be required to carry the appropriate insurance inclusive of windstorm insurance. See required coverages in the main RFP document [SPVPP04 Bermuda Government Solar Development Project - Appendix A Form of Agreement - Section 2.6.](#)

Q48. Is there a defined O&M scope as pricing could be different for 1 visit/clean per year versus a more involved O&M plan?

A48. The Lessor will be responsible for all operation and maintenance costs during the term of the lease. Annual operation and maintenance costs that are a part of the lease payment should be transparent, showing routine maintenance costs and the costs of a reserve fund to cover any repairs or replacements that occur throughout the life of the lease. Any adjustments to O&M plans and costs after award must be justified and approved by Government.

For example, if an inverter fails at year 11, after the standard warranty period, then that inverter cost (which is unknown now) will need to be transparent to the Government (Lessee). The maintenance reserve fund should be sufficient to cover those costs, however, if there are repairs or replacements that exceed the reserve fund at any given time, the Lessor will have the right to provide the justification to the Lessee for extra lease costs to cover such repairs or replacements.

Annex A-1 Pricing Form Amended – see full document published to procurement webpage

Solar Development Project				
Government of Bermuda				
7 6 MW Solar PV				
ANNEX A: PROJECT BUDGET				
Please provide your proposed costs for the following applications in US\$				
Equipment & Cost Component Definitions				
Solar PV Panels	Module Supply only			
Racking/Mounting Systems	Racking equipment including all accessories to			
Power Conversion System (PCS)	Inverter, Protection (DC/AC Switches, Breaker			
Engineering & Construction	Engineering/Design, Mechanical Completion,			
Operation & Maintenance Costs	Maintenance costs, repairs, subscription fees,			
<ul style="list-style-type: none"> Figures provided should be total turnkey estimates for equipment to be shipped to and const 				
Description	Total	Site 1	Site 2	Site
Solar PV Panels	\$ -			
Racking/Mounting Systems	\$ -			
Power Conversion System (PCS)	\$ -			
Engineering & Construction	\$ -			
Operation & Maintenance Costs (O&M) *	\$ -			
Other (please detail below)	\$ -			
TOTAL COSTS	\$ -			
* EPC Bidders are required to provide at least 1 year of operational and maintenance services.				

Annex B-1 Site Locations Amended – see full document published to procurement webpage

Site #	Location Description and GIS Link (click below for location link)	Estimated PV Capacity in Watts (DC)
C201	Co Educational Facility Prison	400,000
C202	Ministry of Public Works, Quarry Depot *	500,000 1,500,000
C203	Prospect Primary School	150,000
C204	Sylvia Richardson Care Facility	90,000
C205	T. N. Tatem Middle School and Community Center	275,000
C206	West Gate Correctional Facility	195,000
C207	Berkeley Institute	400,000
C208	Cedarbridge Academy *	500,000 700,000
C209	Dellwood Middle School	480,000
C210	Sandy's Secondary Middle School	360,000
C211	West Pembroke Primary School	180,000
C212	Hamilton Health Clinic and Annex	100,000
C213	Harrington Sound Primary School	125,000
C214	Dalton E. Tucker Primary School	100,000
C215	Elliot Primary School	190,000
C216	Fort Prospect Water Catchment *	500,000 800,000

End of RFP Addendum #2