

بِسْمِ اللّٰهِ الرَّحْمٰنِ الرَّحِیْمِ



**Ministry of Finance**  
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Clarification 1

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ނަންބަރު No:	TES/2019/W-01	
ފުރުޞަތުގެ ނަންބަރު Project:	Installation of 5MW Grid-tied Solar Photovoltaic System in the Greater Malé Region under Design, Build, Finance, Own, Operate, and Transfer Basis	
ޖެނަރޭޝަން Issued Date	11 <sup>th</sup> March 2019	
ސަފުހާގެ ނަންބަރު No. of Pages: -09	ބޯޖުގެ ނަންބަރު Boq: -00	ޑްރޯއިންގްސް Drawings: -00

Please include this amendment when submitting the bid. ބަދަލުގެ ސަފުހާ ތަކުގެ ތެރެއިން ބަދަލުގެ ސަފުހާ ތަކުގެ ތެރެއިން ބަދަލުގެ ސަފުހާ ތަކުގެ ތެރެއިން

➤ Find the Answers to the Queries raised by the Applicants

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Name: Fathimath Rishfa Ahmed

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Signature:





Republic of Maldives

# CLARIFICATION 01

**Installation of 5MW Grid-tied Solar Photovoltaic  
System in the Greater Malé Region under Design,  
Build, Finance, Own, Operate, and Transfer Basis  
IFB No.: 002/TF017182**

**Accelerating Sustainable Private Investment in Renewable  
Energy (ASPIRE) Project  
SCF Grant No.: TF017182**

**Ministry of Environment  
Republic of Maldives**

Issued by:  
Ministry of Finance  
Male', Republic of Maldives



*[Handwritten signature]*



Ministry of Finance  
Male' Republic of Maldives

Climate Change Adaptation Project (CCAP)  
SCF Grant No.: TF017182

Installation of 5MW Grid-tied Solar Photovoltaic System in the Greater Malé Region under  
Design, Build, Finance, Own, Operate, and Transfer Basis  
IFB No.: 002/TF017182

## Clarification 01

### Clarifications for the Queries raised by the Applicants

1. Section - V does not list any country. Hence we are assuming every country is eligible to participate. Please confirm our understanding.

*Yes, your understanding is correct.*

2. Every "Bidder or Company" shall be sub-contracting for the supply of material as well as for Services during the project execution. Though the supply items and services are known at this stage but the details of the Sub-Contractor shall not be known now at the stage of submission of Application. This information shall be available only during the execution phase once the PPA is signed and final commercial negotiations are conducted to award the Sub-Contract. Hence, we request to remove this requirement at this stage and shall advise the Successful Bidders to submit it within 3 months of signing of the PPA.

*Applicant may indicate the list of activities to be sub-contracted at the time of application submission in response to PQ. Final list of sub-contractors to be submitted at the RFP stage.*

3. Eligibility - Conflict of Interest: The specific format is not available in the tender document. Hence, please provide the same.

*Applicant is required to confirm to this requirement by submitting the "Application Submission Form" provided in the PQ document.*

4. Bank Eligibility: The specific format is not available in the tender document. Hence, please provide the same.

*Please refer to the updated "Application Submission Form" and submit accordingly.*

5. Historical Contract Non-Performance - Suspension Based on Execution of Bid Securing Declaration by the Employer: The specific format is not available in the tender document. Hence, please provide the same.

*Applicant is required to confirm to this requirement by submitting the "Application Submission Form" provided in the PQ document.*

6. Please provide the format to submit the Intent to form the JV.

*There is no specified format for submitting letter of intent to form JV or JV agreement. This is to be provided by the applicants on their own letterheads.*



7. Payment Security Mechanism - ESCROW Agreement: Please provided the Draft Escrow Agreement.

*Will be shared at the RFP stage with the qualified applicants.*

8. Payment Security Mechanism - World Bank Guarantee: Please provided the copy of this document of World Bank.

*Will be shared at the RFP stage with the qualified applicants.*

9. Please provide the copy of the RLA/SLA.

*Will be shared at the RFP stage with the qualified applicants.*

10. Roof/Space Lease Agreement (RLA/SLA): It is mentioned that the GoM shall provide the Right of Way to the Roof or Space. We request GoM to provide the safe approach facility to reach the Roof or Space. This arrangement is specific to individual Roof and Space depending upon its existing design.

*The developer would be provided with specific rights for the purpose of access to and egress from the location / Instant Facility. Detail terms and conditions would be specified in the Roof Lease Agreement / License Agreement.*

11. Implementation Agreement (IA): We request to provide the main Site and its alternate site before the Bid submission. The Pre-qualified bidder shall have opportunity to visit both sites before estimating its risk and obligations. We do not suggest any change in the sites after the bid submission.

*Final list of all the sites would be provided at the RFP stage, along with site assessments.*

12. Different public buildings and link road sites have been listed with corresponding possible Solar Power Generation Capacity area in kW has been listed. We want to know how many sites a bidder can participate (Minimum & Maximum number of sites) and for how many kW capacity a Bidder (Minimum and Maximum kW capacity) can participate.

*Final list of all available sites, including estimated capacities, would be provided at the RFP stage, along with site assessments. A bidder would need to consider all the sites and bid for minimum project capacity of 5 MW.*

13. Since the sites are different with different characteristics it warrants different design and engineering considerations. This leads to different costs for implementation of the solar project. Hence, we understand that each such project site shall be quoted with appropriate different Tariffs and the Project shall be awarded to the successful bidders at these quoted different Tariffs. Please confirm our understanding or provide clarifications accordingly.

*Details of all the sites to the extent available would be provided at the RFP stage, along with additional assessments. Further details regarding the tariff will be disclosed during RFP stage.*

14. We request to hand over the site in the condition suitable for installation of solar project without expecting any work from bidder like structural strengthening work, renovation work, any repair work of the existing site. The Successful Bidder shall only be responsible to carry out the Solar Project related work. Please make this provision in the tender Document and ensure its compliance.

*Details of all the sites to the extent available would be provided at the RFP stage, along with additional assessments. All the sites will be provided to the bidder on as-is basis. The detail scope of work for the bidder will be provided at the RFP stage.*

15. PPA: We suggest to use Capacity Utilisation Factor (CUF) in lieu of PLF in the parlance of Solar Projects.

*Point is noted.*



16. The take-off point where the Company to deliver the Solar generated electricity and point from where the Consumer shall take over it is very crucial from the Custody Transfer of the Goods point. We understand the Company responsibility is to deliver the electricity at the Electrical Meter installed at the Rooftop or Site Space and from the output of the Electrical Meter it is the responsibility of the Consumer. Please confirm this understanding and also provide Illustration with Single Line Diagram as part of the PPA document.

*Interconnection Requirements will be specified at the RFP stage and would be the responsibility of the bidder.*

17. We request to provide the list of all Approvals/Clearances/Permits/Consents and the appropriate authority details.

*Broad guidance on permits and approvals would be provided as part of RFP to the qualified applicants.*

18. Liquidated Damages and Penalties shall be levied if the project is not completed before the schedule Commercial Operation date defined with in the time from Effective Date. The Effective Date is the Sign of the PPA. However, we apprehend there could be delay in getting the incumbrance free possession of the Rooftop or Site which activity is not in the scope/condition precedent of the Company. This is not under the control of Company. Hence, we strongly suggest to have Effective Date from the date of Incumbrance Free possession of the Rooftop or Site. As such, it shall be different for every Rooftop or every Site.

*Detail terms and conditions along with timelines would be part of the RFP which will be provided to the qualified applicants at the RFP stage. It will cover RLA/SLA, PPA and other key documents.*

19. There is need to assure Minimum Average availability of Electrical Energy - we suggest to have an annual average and not monthly average. Further, this annual average shall have degradation factor to match with the degradation factor as guaranteed by the Solar PV Module manufacturer.

*Detail terms and conditions along with timelines would be part of the RFP which will be provided to the qualified applicants at the RFP stage. It will cover RLA/SLA, PPA and other key documents.*

20. Consumer providing Letter of Credit in favor of Company: Please provide the Draft of the Letter of Credit.

*This will be part of the RFP which will be provided to the qualified applicants at the RFP stage.*

21. Consumer's Infrastructure Diagram - Consumer to specify its Infrastructure Facilities about the Electrical Connectivity: Please Provide Electrical Single Line Diagram.

*Available drawings to the extent possible will be shared at the RFP stage. There are additional assessments which have been completed and these will be shared at the RFP stage.*

22. Request to clarify if the Private Entity from India can be eligible to bid for the said tender as a sole member if it meets other eligibility criteria.

*Yes, private entities fulfilling the minimum qualification criteria are eligible for bidding - Either as sole member or as a JV.*

23. On PQ document's page52, "All bidders will be expected to submit the following documents at the bidding stage." If two companies join as a JV to participate in the bid, does each and every company of the JV have to submit ESHS?

*All JV members have to meet ESHS requirements.*

24. The bidder can have the Duty Exemption when importing the equipment from abroad under this project?

*Customs Duty is exempted for equipment imported for electricity generation from renewable energy sources. Any other specific details will be included in the RFP.*

25. For all the power generated from the PV Plant, will the STELCO purchase all the electricity power? For the payment received from STELCO, which kind of tax will be deduct from the payment? What's the rate?

*These will be addressed at the RPF stage.*

26. A capital buy down in the range of USD 1 - 1.9 million for the total project capacity is likely to be provided to the winning bidder once the plant has been commissioned. Can you explain more details about this? This Capital buy down is a kind of Subsidy (Allowance) which will pay to the Bidder the total amount once the plant has been commissioned?

*Yes. The capital buy-down is meant to be a capital offset for developer, to help offer a lower tariff. Details on capital buy-down disbursement will be shared with the bidders at the RFP stage.*

27. How to deal with the Housing Development Corporation regarding the Roof Lease Agreement (RLA)? The roofs/sites would be made available through separate roof/space lease agreements facilitated by GoM between the roof owners and selected bidder. Can you explain more details about this?

*The Government of Maldives will facilitate execution of RLA with the HDC. The selected bidder would also enter into an Implementation Agreement (IA) with the Government of Maldives which will define obligations between the selected bidder and the Government. The IA would provide adequate protection to the selected bidder with respect to site availability.*

28. How many years can we rent the roof? How to pay rent?

*The Roof Lease Agreement / License Agreement would be for the PPA term and co-terminus with the PPA. Amount for roof-lease and payment schedule will be specified at the RFP stage.*

29. What's the requirement of Free Field PV Plant? Is there any roofing sheet to be installed on the ground structure and under the PV?

*Guidelines for Link Road Array structures shall be provided in Bid Package. Replaceable roof sheeting is not anticipated at this stage for these structures.*

30. Is there will be transformer involved in this project?

*Link Road Arrays shall be connected to STELCO-supplied MV point-of-connection. Bidders shall transform the PV energy to the STELCO MV standards. Details shall be provided in the Bid Package.*

31. Where is the PV Feed-in Point for the location mentioned in the PQ-1 File? Shall we consider a new powerhouse/ housing plan for the Distribution Panels?

*Link Road Arrays shall be connected to STELCO-supplied MV point-of-connection, so no new powerhouse or panels are expected. Roof-top arrays may use either LV of MV connection, depending of the specification. Details shall be provided in the Bid Package.*

32. How is the metering planning for the project?

*Link Road Arrays shall be connected to STELCO-supplied MV point-of-connection, and Bidders shall provide MV metering to STELCO MV standards. Roof-top arrays may use either LV or MV connection and metering, depending of the specification. Details shall be provided in the Bid Package.*



33. How's the load condition? If possible, please share the load condition with us.

*Data analysis of loads by bidder's is not seen as necessary for this project. Bidders may still refer to the Island electricity data book, 2018 for load profile of islands (<http://www.environment.gov.mv/v2/en/news/8071>).*

34. Based on last point, if the load increased not as planned, whether will be any power-limitation for the PV Plant? Will the PV Plant be able to work fully for the designed time period? Is there any power brownout?

*The details will be specified in the RFP.*

35. Will a JV Pre-Qualify if only one member meets the technical qualification requirement (4.1 Specific Experience - Developing Projects)? If so, can the JV/consortium member contributing the required solar project references to the JV be an exclusive EPC contractor (by virtue of an exclusive agreement for the project), or would this JV partner/consortium member also have to actually be a project equity partner/ SPV shareholder?

*Qualification criteria are specified in Section III of the PQ document and states the requirement for single entity or each member of a JV.*

36. After skimming the content of the documents, we would like to know what the currency is by which the payments will be made during the project.

*This will be specified in the RFP.*

37. The estimated capacity of PV system which installed at Hulhule' Hulhumale' link road is about 3,664.66 kW, it is the biggest capacity proposed sites. Please kindly clarify whether the PV modules will be installed overhead the pavement. If the PV modules are installed at Hulhule' Hulhumale' link road, whether will the PV modules make bad influence to the pedestrians to walk and scenery?

*All Technical information, site specific requirements and other design requirements will be provided at the RFP stage to the qualified applicants.*

38. Please kindly clarify whether the Interconnection Point between each PV system and local grid (or interconnection scheme) will be indicated at the bidding stage.

*The Interconnection requirements will be specified at the RFP stage.*

39. The solar PV which is expected to be installed along the roads, what kind of mounting system is being expected? Should cars or pedestrians be able to drive/walk below the PV system, or will it rather be beside the road ground mounted?

*This is expected to be a canopy structure along the side of the road.*

40. Are you installing the solar grids on Land or it's a floating concept?

*This will be on land and rooftops.*

41. If its land 1 MW is 5 acres land, So 5 MW is 25 Acres.

*Specific site information (areas, drawings, GPS locations, etc.) will be provided in RFP.*

42. Will there be any tariff for this project? If so, is it in dollars or MVR?

*The project is run under a PPA, so successful bidders will be requested to submit a financial proposal stating the tariff (on a per kWh) for the PPA period..*

43. What will be the Tax holidays for this project? And how many years the contractor will be entitled for tax holidays?

*All standard taxes will apply for standard business operations.*

44. What will be Government buy back guarantee? How's is the process?

*This will be specified in the RFP.*



45. What will be the PPA for this project? Is it 20 years or more?

*This will be specified in the RFP.*

46. Having studied the scope of work in detail, and the requirements of the tender process, considering the time available, we wish to request for a time extension of 45 days from the currently scheduled Bid Opening date.

*An extension of 1 week has been provided for PQ application submission.*

47. Is there any benchmark tariff figure that GoM is expecting from the bid?

*Government of Maldives is expecting competitive tariffs as per the current industry standards.*

48. Would there be different tariffs for different sites or an overall tariff.

*This will be specified in the RFP.*

49. Pre-application Meeting: Bidders requested for exact coordinates for the development to be undertaken on the link road and requested for site visit.

*Bidders are already provided with a tentative site list, locational co-ordinates, estimated area (m<sup>2</sup>) and estimated PV capacity (kW) at this stage. There are additional assessments which have been completed and these will be shared as part of additional information at the RFP stage.*

50. Pre-application Meeting: Bidder queried that in case the latest accounts are under preparation and not audited, can they submit audited accounts of previous years.

*If 6 months hasn't elapsed since the most recent business year and the latest accounts are under preparation, bidders can provide audited annual accounts of the prior three years.*

51. Pre-application Meeting: Bidders inquired whether there would be any minimum generation guarantee/ commitments for the installations.

*All Technical information along with minimum generation requirement will be provided at the RFP stage to the qualified bidders.*

52. Pre-application Meeting: Bidders sought clarifications on the following:

i. Is custom duty exempted for this project?

ii. Whether the entire project including accessories and cables would be exempt from custom duty or only panels would be exempted?

*Customs Duty is exempted for equipment imported for electricity generation from renewable energy sources.*

53. Pre-application Meeting: Bidders queried whether developer will be provided with the space for storage of equipment's during construction of the project?

*Bidders may be provided with the right to a storage space by the Licensor, details of which would be specified in the Roof Lease Agreement / License Agreement.*

54. Pre-application Meeting: Bidders enquired whether any specific preference would be provided to the winning bidder on other infrastructure/renewable energy projects such as waste management, water supply etc.?

*There are no such provisions for the winning bidder specific to Phase 2.*





55. Pre-application Meeting: Bidders sought clarifications on the following:
- i. What is the specific amount provided as capital buy down to the developer?
  - ii. What is the disbursement schedule for the same? Whether it will be linked to milestones?
  - iii. Is this an incentive to the developer or an advance payment for installation of project to be paid back later?
- i. Capital buy down will be in the range of USD 1-1.9 million for the total project capacity. The exact amount along with corresponding requirements will be provided at the RFP stage.*
- ii. Details on capital buy-down disbursement will be shared with the bidders at the RFP stage.*
- iii. Capital buy-down is an incentive for the developer and does not require to be paid back later.*
56. Pre-application Meeting: Bidders sought clarifications on the following:
- i. Who will bear the cost for strengthening of roofs?
  - ii. With whom this agreement needs to be signed by the developer?
  - iii. What is the fees that needs to be paid or is it free?
- i. Details of all the sites to the extent available would be provided at the RFP stage, along with additional info. All the sites will be provided to the bidder on as-is basis. The detail scope of work for the bidder will be provided at the RFP stage.*
- ii. Government of Maldives would facilitate execution of Roof Lease Agreement for roof tops of Government owned buildings and a License Agreement for the Site situated on the Link Road with respective Government departments.*
- iii. Site / Roof fees will be provided as part of the Roof Lease Agreement / License Agreement, during the RFP stage.*
57. Pre-application Meeting: Bidders sought clarifications on the following:
- i. Would it be a developer's responsibility to undertake EIA?
  - ii. Would final timelines provided for implementation of the project would be considerate of the timelines required for undertaking such assessment as this kind of assessment may take around a month or two?.
- i. Yes, bidders are required to undertake EIA and fulfill the requirements as per the EIA regulations, 2007.*
- ii. Timelines for project implementation would be shared at the RFP stage.*
58. Pre-application Meeting: Bidders queried would there be any limit on the number of bidders which would get qualified to participate for RFP stage.
- There is no limit to the number of bidders qualifying for the RFP stage.*
59. Pre-application Meeting: Bidders enquired what would be the timeline for the announcement of RFP after submission of EOI.
- RFP is expected to be released in the first week of April. All the pre-qualified bidders would be notified accordingly.*

