



**REQUEST FOR PROPOSALS (RFP)**

This document details all written questions received on **May 1st, 2018 through June 15, 2018** for the Microgrid RFP published on May 1st, 2018. LRA answers are found below.

No.	Company	QUESTIONS	ANSWERS
1	Noresco	Financial risks: We have concerns about the ability for the project envisioned by the RFP to be financed. Can you provide background on the finance structure you envision (i.e., rated bond with a fixed financial obligation, etc.) and evidence that there will be the potential of multiple financial partners willing to provide financing for the project and that such partners will be able to do so at rates and terms that would be acceptable to both the LRA in order to support implementation of the project by the development partner ultimately selected as a result of <u>this procurement?</u>	As noted in the RFP, the LRA will not be involved in any financing arrangement by the Microgrid Developer. A long-term financing arrangement with a low cost of capital will be a preferred structure.
2	Noresco	Project background: Can you offer further information on the existence or termination of prior development agreements with site master developers (i.e., Clark Realty Capital and Ariel Investment)? Are either of these organizations still <u>involved with the development project?</u>	These organizations are not involved. The Local Redevelopment Authority for Roosevelt Roads is the acting Master Developer for the project.
3	Noresco	Development and tenancy: Can you provide any background on or evidence of development, construction, occupancy, or related contracted actions related to RR tenants, contractors, or other parties who will be or are likely to be building or <u>locating in the redevelopment area?</u>	Existing tenants are listed in the RFP. New tenants will be announced as appropriate and relevant information posted as an Addendum.
4	Noresco	Microgrid-related future contract and off-takers: The RFP indicates that the LRA will provide a "franchise" to the developer to be the exclusive power provider to the tenants on Roosevelt Roads. Can you provide any further information on the proposed Microgrid Agreement as well as any related contract structures or covenants that will be in place to assure that buildings (load) to be built within the redevelopment zone (now and into the future) will be obligated to being connected to, and utilize power supplied by the microgrid developed as a result of this procurement? What mechanisms are or will be in place to prevent load defection?	A draft of the Microgrid Management Agreement was uploaded to the LRA's website on June 5. Each lease with a Tenant will include a provision requiring such Tenant to purchase power from the Microgrid Developer. The terms of the leases and applicable energy consumption will be made available to the Respondent that receives a Notice of Intent to Award, subject to any confidentiality obligation that the LRA may require.
5	Noresco	Given that the microgrid developer is solely responsible for securing financing; and that neither the LRA nor the Commonwealth of Puerto Rico intend to provide any public subsidy to fill any funding gaps or shortfalls, does the LRA envision sharing or otherwise mitigating the developer's risk of potential load defection?	The LRA will have no responsibility for the contractual obligation between the Microgrid Developer and each Tenant.
6	Noresco	Similarly, have you explored structures that address the risks associate with the envisioned load growth?	As stated in the RFP, the LRA welcomes creative solutions.
7	Noresco	Supply price: Are there any circumstances where the microgrid supply price to customers will not be limited to the PREPA rate for the first four years, and subsequently, not capped at the PREPA rate plus up to 15%?	The agreement between the LRA and the Microgrid Developer will be subject to the requirements of applicable law to the extent the final microgrid regulations or any successor regulations may impact pricing such regulations shall control.
8	Cat 5 Solar and Microgrid	It is essential that we know the credit ratings of each existing tenant, how long their leases are for and what obligations there are (if any) in their leases concerning the supply of power to their buildings.	The terms of the leases and applicable energy consumption will be made available to the Respondent that receives a Notice of Intent to Award, subject to any confidentiality obligation that the LRA may require.
9	Cat 5 Solar and Microgrid	If possible, we would like to have a copy of their leases to review or obtain a summary of the terms if our attorneys cannot review them.	See answer to 8 above.
10	Cat 5 Solar and Microgrid	For each existing tenant we need to ascertain their average and peak consumption in KW of power during each day and each night. We propose battery backup at night to power each tenant and need to be able to calculate that.	This data is currently unavailable. Although the LRA is the owner of the distribution system, PREPA is directly metering and billing each individual tenants. The average and peak (day and night) consumption has been requested to PREPA, but we have not received the information. The only available information is the estimated peak demands shown on demand tables on Appendix B of the RFP. The nightly demand shall be minimal as no tenants operations are carried out during the night. Q and As - Microgrid RFP - FINAL

No.	Company	QUESTIONS	ANSWERS
11	Cat 5 Solar and Microgrid	For each existing tenants we need a copy of their power bills each month for a typical 12 month period (excluding the interruption of power caused by hurricane Maria) and whether they will need additional power requirements going forward.	This data is currently unavailable. Although the LRA is the owner of the distribution system, PREPA is directly metering and billing each individual tenants. The billing has been requested to PREPA, but we have not received the information.
12	Cat 5 Solar and Microgrid	We must have the ability to approve new tenants to ensure they have the financial capacity to pay their electric bills on a net 30-day basis.	Each Respondent is welcome to propose terms as comments to the Microgrid Development Agreement.
13	Cat 5 Solar and Microgrid	We need to obtain the credit rating of each existing tenant.	Credit determinations of any counterparties will be the sole responsibility of each Respondent.
14	Cat 5 Solar and Microgrid	For each new tenant we must be able to pull their Dunn and Bradstreet rating which must have to be better than an average credit score and enter into a contract with us specifying their proposed demand loads during the day and at night.	Credit determinations of any counterparties will be the sole responsibility of each Respondent.
15	Cat 5 Solar and Microgrid	We will need to specify security deposits to be held in escrow for each existing and new tenant or take over existing deposits.	Each Respondent is welcome to propose terms as comments to the Microgrid Development Agreement.
16	Cat 5 Solar and Microgrid	We need to know which existing tenants require 3 phase and their max power usages during the day and at night.	Currently all (non-residential) tenants requires 3 phase service. The only available information is the estimated peak demands shown on demand tables on Appendix B of the RFP. The nightly demand shall be minimal as no tenants operations are carried out during the night, except for security or surveillance personnel.
17	Cat 5 Solar and Microgrid	We will require a rolling 25-year PPA from 2018 to the date of the last power installation, which according to the RFP is during 2040, thus we shall expect all existing PPA's will be added to the last installation we install and then run for a further 25 years replacing older systems put in during 2018 etc., during this 25-year period. Thus, we envisage our PPA to cover the period 2018 to 2065. Please confirm that this is what was envisaged and that the winner will be responsible for maintaining power on the property through 2065. This information is required so we can calculate the repairs, replacements and other reserves required during this time period.	Each Respondent is welcome to propose terms as comments to the Microgrid Development Agreement, including the required term of the Microgrid Development Agreement.
18	Cat 5 Solar and Microgrid	We require an engineer's report on the makeup of all existing and proposed new tenants roofs as we would propose to fit our unique lightweight solar panels (which are to be manufactured in Puerto Rico and preferably at RR) where possible to the roofs of the buildings and we need to determine the correct anchoring systems to withstand future Cats wind speeds. In addition, we need to determine the best place inside of each building of were best to site the batteries, inverters, controllers and other renewable energy equipment or whether we need to build a separate small building adjoining the existing building to position this equipment	The LRA is not aware of any engineering reports regarding the building roofs of the Tenants. Based on visual observation we estimate that roughly 80% of the existing institutional/commercial structures are metal deck roofing and almost 100% of all residential and other support facilities (water & wastewater treatment plants, pump stations) are reinforced concrete roofs.
19	Cat 5 Solar and Microgrid	We are very happy to include the supply of power to proposed users outside of the LRA property including the adjoining airport. Does the LRA require us to approach these potential users separately, or will the LAR introduce us formerly to these users so we can include them as part of our proposal?	Each Respondent is welcome to communicate with parties outside of the Roosevelt Roads property owned by the LRA.
20	Cat 5 Solar and Microgrid	We also need to know whether the LAR would object to us unloading barges of waste supplied from the San Juan area to the docks at Roosevelt Roads and use that waste as well in a RR Resource Recovery Facility located on the property somewhere close to the docks?	Subject to environmental and related regulatory compliance, the LRA welcomes all proposals.
21	Cat 5 Solar and Microgrid	Is it envisaged that there will be a contract between the Microgrid developer and the LAR and also one between the Microgrid developer and each of the tenants so there is legal capacity between the Microgrid developer and each tenant?	Yes.
22	Cat 5 Solar and Microgrid	Will the Microgrid developer be able to proportion the power consumption of these common areas pro rata to the existing and future tenants of the property or will it charge the LAR and if not how will any additional public and street lighting be paid for as the development takes place	Each Respondent is welcome to propose terms as comments to the Microgrid Development Agreement.
23	Cat 5 Solar and Microgrid	Will we be able to add small buildings along the road side like bus shelters (subject to them being architecturally pleasing) to collect and distribute power to the common areas?	Yes, subject to LRA review and approval.
24	Cat 5 Solar and Microgrid	To whom do we bill the usage of the Potable Water Treatment Plant which has a demand shown at 300 KVA. What is the actual usage of this plant in KW on a monthly basis	There are currently no monthly usage records, as there is no current meter at the facility. It is estimated based on the daily operation of 8 hours resulting in an estimate of 72,000 kw per month.
25	Cat 5 Solar and Microgrid	Assuming that this plant is capable to running all the portable water treatment as RR is developed out, what are the estimated increases in KW and peak KVA required during the 22 year build out period. We cannot see any increases in power in the schedules attached to the RFP.	Currently there is an ongoing design process for the WTP improvements. On this design it is estimated a gradually increment in demand up to a max of 600 KVA at full development.

No.	Company	QUESTIONS	ANSWERS
26	Cat 5 Solar and Microgrid	Please confirm what the LAR proposes in this regard. i.e. if we bill on a 30-day net basis how many days overdue does a tenant have to be before we can turn their power off.	The LRA will view each Respondent's proposal with respect to terms such as shut off rights by balancing the Microgrid Developer's need for financing with the economic development goals of the LRA with respect to attracting new Tenants.
27	Cat 5 Solar and Microgrid	Please confirm that the Microgrid developer and associated companies can buy or lease land and erect buildings from the LAR for the manufacture	Yes, subject to LRA review and approval.
28	Cat 5 Solar and Microgrid	Are there any large tracts of land (300/500 acres or more) available for purchase or long term lease from the LAR?	Yes
29	Cat 5 Solar and Microgrid	For how many years will the bond be required to be posed by the winning bidder?	The bond requirement will be dependent upon the credit of the Microgrid Developer and any separately offered credit enhancement.
30	Cat 5 Solar and Microgrid	Please confirm the LAR calculation to determine the 1% bond assuming a price per Kw of 20 cents and no inflation price rises.	All reasonable assumptions for bond sizing will be acceptable.
31	Cat 5 Solar and Microgrid	What is the current consumption and the envisaged consumption each year to 2040 as we increase the KVA to 70 as requested	Please refer to the load demands table on Appendix B of this RFP.
32	Cat 5 Solar and Microgrid	In addition is a guarantee from an insurance company acceptable as a guarantor and if so what credit rating is required?	So long as such guarantee is available to the term as may be required by the LRA, it would be an acceptable form of credit security. Each Respondent is responsible for proposing the credit rating with respect to its credit security.
33	Cat 5 Solar and Microgrid	Please confirm whether your statement intends to go to 2040 when the peak reaches 70MW or 25 years from that date being the proposed end of our PPA?	So long as the minimum terms set forth in the RFP are achieved the LRA will review any maximum term proposal.
34	Cat 5 Solar and Microgrid	Will the microgrid developer be given any right of first refusal at the end of the term to continue supplying power?	Each Respondent is welcome to propose terms as comments to the Microgrid Development Agreement.
35	Cat 5 Solar and Microgrid	What happens at the end of the term to the equipment owned by the Microgrid developer? Is a payment made to it for its equipment at the open market value as determined by an independent expert as to its value?	Each Respondent is welcome to propose terms as comments to the Microgrid Development Agreement.
36	Cat 5 Solar and Microgrid	Will the winner be able to maintain an office and service yard on the property for maintenance purposes and where will that be located?	Yes, subject to review and approval by the LRA.
37	Jingoli Power	Who is allowed to attend the proposal conference and site walkthrough?	Anyone who registered in advance or on the day of the conference.
38	Jingoli Power	Only the individual included on the bidder registration form? Any personnel from the company included on the bidder form?	A lead Respondent, advisor or consultant or joint venture partner may all attend and bid.
39	Jingoli Power	Guests invited by the company on the bidder form?	That would be acceptable.
40	Jingoli Power	Since microgrid developers cannot charge more than PREPA's tariff rate for a similar class of service for the first 48 months, is PREPA's appropriate tariff readily available for evaluation?	The LRA is reviewing and will upload when and if that information is available.
41	Jingoli Power	If developer must cover the cost to maintain access roads, public & street light service & other improvements, but not be higher cost than the appropriate PREPA tariff, can the capex cost for these non-utility services be billed separately or just not included in comparison to PREPA's tariff rate that does not include these non-utility components?	Separate charges for energy capacity and other line items are acceptable provided that each type of service complies with the pricing restrictions.
42	Jingoli Power	Can current and future fuel that is/will be available for energy generation be identified?	Any fuel type is acceptable subject to a renewable source for thermal efficiency minimum requirement.
43	Microgrid PR, LLC	What is the expectation from the LRA and any existing customers for first deliveries of electrical power and what coordination is in place with PREPA to schedule and manage around the breaker cut-off date?	As noted in the RFP, the proposed COD is a material term that the LRA will evaluate. PREPA's microgrid interconnection requirements are due to be released in July 2018. The LRA reserves the right to amend interconnection and related timing obligations upon the release of these rules.
44	Microgrid PR, LLC	Are there any proposed Tenants in discussion or under a letter of intent to relocate to the LRA properties?	See answer to 8 above.

No.	Company	QUESTIONS	ANSWERS
45	Microgrid PR, LLC	<p>Page 4, there is existing infrastructure available such as fuel storage and distribution, please clarify:</p> <p>a. what infrastructure is available such as fuel logistics, docks, electrical distribution, etc.?</p> <p>b. what condition can we expect this infrastructure to be?</p> <p>c. thoughts on pricing, if any for access/use?</p> <p>d. legacy liabilities?</p>	<p>a)b) Fuel storage tank farm facilities are available. The fuel supply lines are not in operating conditions. Please refer to existing tank farm conditions report on the LRA website <a href="http://www.rooseveltroads.pr.gov/rfp/Pages/Tank-Farm.aspx">http://www.rooseveltroads.pr.gov/rfp/Pages/Tank-Farm.aspx</a>. There are existing port facilities: Pier 1 for fuel transfer (fuel lines not in operation), Piers 2 and 3 (cargo), former Coast Guard Pier, and other bulkheads at the water front. All the ports facilities are property of the LRA. There is currently an evaluation of the existing conditions of the piers in order to obtain federal funding (DOT-MARAD)for repairs/improvements. The electrical distribution system is currently in the bidding process for emergency repairs at the main lines servicing current tenants. The repairs will create the minimum operable conditions. The overall distribution system is outdated and must be improved. The LRA is currently in the efforts of obtaining federal funding for permanent improvements on the distribution main corridors (13.2 and 38.0 kv lines). Pricing is dependent on the proposal of the Respondent and an agreed upon amount with the LRA. The LRA is not aware of legacy liabilities.</p>
46	Microgrid PR, LLC	<p>Page 5, who are the customers outside of the LRA property that are "certain customers" outside of Roosevelt Roads?</p>	<p>The Microgrid Developer will be responsible for entering into such agreements.</p>
47	Microgrid PR, LLC	<p>Page 8, we must choose parcels of land for constructing approved generation per Appendix C and would like to understand any issues on these tracts that we should be aware that either complicate or simplify development of physical generation and storage?</p>	<p>The preferred generation sites have the following constraints that must be taken in consideration: Parcel H1 I is the closest to a residential area. Parcel A1, was a former landfill that was cleaned up and have some construction constraints. Portions of Parcels I1 and I2, are located on flood zones as designed by FEMA.</p>
48	Microgrid PR, LLC	<p>Page 9, is there a cap on the expectation for costless energy supply to the public and street lighting system and who pays for the design and capital costs related to such public infrastructure? Also, who retains responsibility and liability for the proper maintenance</p>	<p>The LRA welcomes all proposals.</p>
49	Microgrid PR, LLC	<p>Page 10, what legacy environmental risks exist from the previous site uses? Is there a recent (&lt;2 years old) environmental report and an environmental indemnity covering historical issues that may exist?</p>	<p>Navy's Environmental Reports which contain information regarding environmental risks from the previous site uses were issued on the RFP as Appendix E.</p>
50	Microgrid PR, LLC	<p>Page 11, given existing damage to the grid, has any estimate or scope of work been prepared by PREPA or a third party to restore the system to at least original condition?</p>	<p>The proposed emergency repairs currently under consideration on an ongoing separate bidding process, with an estimate cost of \$2.5 million. The emergency repairs drawings will be included on Appendix K, for reference use only.</p>
51	Microgrid PR, LLC	<p>Page 11, Have not seen the Microgrid Management Agreement and can the insurance needs (i.e. coverages, deductibles, exclusions, etc.) be clarified in brief?</p>	<p>A draft of the Microgrid Management Agreement was uploaded to the LRA's website on June 5. Insurance provisions are subject to negotiation in the final Microgrid Development Agreement.</p>
52	Microgrid PR, LLC	<p>Page 15, please clarify the section regarding payments to the LRA and what the expectations are for timing, pricing, terms, defaults, etc.</p>	<p>The LRA welcomes all proposals.</p>
53	Microgrid PR, LLC	<p>Page 32, what scale of local municipal construction taxes might be expected and is there a limit on what taxes can be imposed? This also related to the property tax question unless property taxes are in lease payments to the LRA?</p>	<p>All tax obligations and abatement opportunities are the responsibility of each Respondent.</p>
54	Microgrid PR, LLC	<p>Page 30, we note there is a covenant to provide 5 years of the Tax Return Submission Certificate, given we are newly founded entity we will not be able to provide 5 years of tax certificates</p>	<p>The LRA will review in connection with any credit security requirement.</p>
55	Microgrid PR, LLC	<p>Page 35, Substation alpha is controlled by the Port Authority, is access contemplated as being required and if so is the Port Authority prepared to offer access</p>	<p>Access to substation Alpha is not required. Proponent must coordinate with Ports Authority if proposal includes access to Alpha.</p>
56	Microgrid PR, LLC	<p>Page 43, PREPA has prepared brief system recommendations, have they prepared design and cost estimates?</p>	<p>PREPA delivered a general assessment document dated Sept. 30, 2010 with recommendations and estimated construction costs. Those recommendations were only applicable if the system was going to be transferred to PREPA at that time. This document will be provided as new Appendix G.</p>
57	Microgrid PR, LLC	<p>What mix of renewable energy generation verses fossil fuel generation is expected and is this a contractual requirement?</p>	<p>The mix is to be proposed by each Respondent subject to minimum requirements of the Final Microgrid Regulations for other applicable law. The LRA will view favorably proposals for renewable percentages above minimum requirements.</p>
58	Microgrid PR, LLC	<p>To prepare a rate structure requires a detailed understanding of the PREPA rate structures to remain under the ceiling required for electrical services. We will need to understand what, if any public or government funding subsidizes PREPA rates and whether the rate ceiling is expected to incorporate this subsidy.</p>	<p>The LRA is reviewing and will upload when and if that information is available. The LRA will review rate proposals adjusted for the present or absence of applicable subsidy.</p>
59	Tesla	<p>Are all current tenants obligated to purchase energy from the awarded microgrid provider?</p>	<p>Yes.</p>

No.	Company	QUESTIONS	ANSWERS
60	Tesla	Will the Microgrid Management Agreement cover all current tenants' energy purchases with the provider or will individual, bi-lateral contracts be required?	A draft of the Microgrid Management Agreement was uploaded to the LRA's website on June 5. Each Lease with a Tenant will include a provision requiring such Tenant to purchase power from the Microgrid Developer. Each Respondent should include in its comments any other provisions or agreements, along with a description of terms and conditions to be included, that it will require.
61	Tesla	Will the LRA or other creditworthy entity be a default purchaser of energy during periods of tenant vacancy or contract default?	No.
62	Tesla	Will the credit scores or financial statements of tenants and the LRA be released prior to the RFP deadline?	The terms of the leases and applicable energy consumption will be made available to the Respondent that receives a Notice of Intent to Award, subject to any confidentiality obligation that the LRA may require.
63	Tesla	Will LRA provide indemnity or remediate of any existing environmental conditions on site?	The Navy is responsible for environmental remediation in Roosevelt Roads.
64	Ssidinvestpro	Is there any preference with the micro grid solutions such as using wind due to the nature of the territory close to the airport, do they want more solar in the mix?	The LRA will review all conforming proposals.
66	Ssidinvestpro	Due to the hurricane scenario, is there a possibility to use underground high voltage, this could be also answered by the recommendation of PREPA?	There is the possibility of using underground high voltage systems in the future. Currently the ongoing emergency repairs considered for FEMA public assistance funding are for aerial lines replacements. The LRA is working to obtain future FEMA public assistance funding under section 428 for permanent improvements. Those improvements could consider underground lines on some portions, specially on the waterfront area.
67	Ssidinvestpro	In addition to the land mark, we require KMZ file that shows the potential available area for solar?	KMZ files will be provided as new Appendix H.
68	Ssidinvestpro	Wet land issue is not clearly defined, is there a possibility to get additional existing information?	No wetland delimitation studies are available from the LRA.
70	Ssidinvestpro	Status of existing substation?	The only working substation is "India" located on the waterfront/pier areas. The other substations (Bundy, Charlie, Delta and others) are in non-working condition. The distribution system emergency repairs project in a separate ongoing bidding process will consider only the upgrade of the "India" substation, which serve the current tenants up to a max. load of 5 MW.
71	Ssidinvestpro	Is there a reflection study to be accounted for the solar array?	No reflection studies have been performed.
73	Ssidinvestpro	Topography of the sites are needed, grading of sites requirement?	There is available general topographic data (public data from USGS) on GIS and pdf format. This will be included as new Appendix I. Selected bidder will be responsible to grade the interested sites accordingly to their specific requirements.
75	Ssidinvestpro	With whom the plan rate scheduling, PPA electric charge to be negotiated for, PREPA?	The rate will be offered to each individual Tenant as approved by the LRA and as otherwise required by the final Microgrid Regulations.
77	Ssidinvestpro	Is the project specifically with the solar qualify for the US federal 30% ITC program?	The LRA is not aware of any reason why an otherwise qualifying project would not be eligible under Section 48 of the Internal Revenue Code.
79	Ssidinvestpro	The Microgrid Developer will also be responsible for horizontal development, including utilities, access roads, public and street light service and other improvements in respect of the foregoing in accordance with one or more licenses, easements and/or lease agreements to be entered into between the LRA and the Microgrid Developer. Need further clarification on this scope of work?	Yes, the developer will be responsible for any improvements needed for their proposal, subject to LRA review and approval.
81	Ssidinvestpro	O&M and billing is sole responsible of the micro grid developer?	Yes.
83	Ssidinvestpro	Is there standard electric codes that we have to follow for design besides NEC, ISO, UL listing?	Besides the USA typical electrical standards and codes, the bidders shall consider the possible use of some of the Puerto Rico Electric Power Authority (PREPA) Codes and Standards, as many of the distribution system standards are adjusted for the Puerto Rico climate and power delivery characteristics. <a href="https://www.aeepr.com/Servicios/manuales.asp">https://www.aeepr.com/Servicios/manuales.asp</a>
85	Ssidinvestpro	Expected project completion, and notice to proceed dates need to be identified?	Proposed NCP date and COD are to be provided by each Respondent and will be reviewed by the LRA in accordance with the review criteria set forth in the RFP.
87	Ssidinvestpro	Energy storage for power outage or back up requirement and its priority need to be defined?	The LRA welcomes all proposals.
89	Ssidinvestpro	Is there freight cost reduction for the developer?	The LRA does not have enough information to respond to this question.
91	Ssidinvestpro	Is there a potential know how of the end users, and population count?	Please refer to the load demands table on Appendix B of this RFP.
92	Calwave	In addition, is a chance to get the KMZ file ( google earth with site boundary) for the potential A1, A2, H1 solar sites.	KMZ files will be provided as new Appendix H.

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93	Caribbean Synergy Development Corp.	<p>1. Wind resource parameters</p> <p>To accurately propose an Aeolic system, normally, Wind data for more than 2 years is required. Not knowing is this is available and since there is an airport on site, there should be meteorological data and wind measurement data, such as wind power density, wind energy density, wind speed (average, maximum, extreme) of different height, wind speed distribution, also if there are any Weibull distribution, Rayleigh distribution, variation information of different period, wind shear, etc.</p>	<p>The only available data is wind data from the Roosevelt Roads International Airport Master Plan, prepared by PB&amp;J for the PR Ports Authority on Sept. 2007 will be included as new Appendix J.</p>
94	Caribbean Synergy Development Corp.	<p>2 According to RFP, the developer must comply with the Microgrid Regulation CEPR-MI-2018-0001, in which it sets that:</p> <p>a. Seventy-five percent (75%) of the energy output of the system during the 12-month period beginning with the date the Microgrid first produces electric energy and each 12-month period thereafter must be from a Renewable Resource;</p> <p>b. The fuel used by non-renewable generation must be no more than 2,500 Btu per total energy provided by the microgrid;</p> <p>c. The non-renewable generation must operate at a heat rate of no more than 13,000 Btu/kWh at full output;</p> <p>d. The sum of installed renewable energy generating capacity and electrical energy storage capacity (in MW) of the Microgrid shall exceed the expected peak demand of the Microgrid.</p> <p>The above requirement will lead to a significantly increased cost because more energy storage equipment must be installed to solve the instability of renewable energy generation.</p>	<p>Each Respondent is encouraged to review carefully the applicability of the Final Microgrid Regulations given the unique ownership of Roosevelt Roads.</p>
95	Caribbean Synergy Development Corp.	<p>3.If the Microgrid Regulation is not mandatory, a CHP grid is recommended. If CHP has been considered or any other technology that includes gas generators, how will the natural gas be supplied to the base? Is there any gas station or pipeline connected to the base or has there being any studies done with regards to that? If grid integration is properly designed, CHP can help support a more cost effective, efficient, robust, expandable and clean grid system. We include some USA EPA and other articles and files for your consideration.</p> <ul style="list-style-type: none"> <li>• <a href="https://www.epa.gov/chp">https://www.epa.gov/chp</a></li> <li>• <a href="https://aceee.org/blog/2017/05/chp-part-your-vision-modern-grid-let">https://aceee.org/blog/2017/05/chp-part-your-vision-modern-grid-let</a></li> <li>• <a href="https://www.decentralized-energy.com/articles/print/volume-16/issue-3/features/chp-modelling-for-grid-stability.html">https://www.decentralized-energy.com/articles/print/volume-16/issue-3/features/chp-modelling-for-grid-stability.html</a></li> </ul>	<p>CHP microgrid system is an eligible structure. The LRA is not aware of any study with regard to any gas station or pipeline connected to the base to bring natural gas to Roosevelt Roads. However, natural gas storage tanks from the former naval base may be available pending engineering, environmental and related reviews.</p>
96	Caribbean Synergy Development Corp.	<p>4.Energy demands: Can you provide us with the current and prospective Day and Night energy demand requirements.</p>	<p>This data is currently unviable. Although the LRA is the owner of the distribution system, PREPA is directly metering and billing each individual tenants. The average and peak (day and night) consumption has been requested to PREPA, but we have not received the information. The only available information is the estimated peak demands shown on demand tables on Appendix B of the RFP. The nightly demand shall be minimal as no tenants operations are carried out during the night.</p>
97	Caribbean Synergy Development Corp.	<p>5. Clients: how many clients do you currently have and how many are in process or have committed to move to NSRR, please also refer to #4 above for energy usage</p>	<p>See answer to 8 above.</p>
98	Caribbean Synergy Development Corp.	<p>6. It was briefly discussed in the NSRR visit that LRA clients had, and future clients would have a clause in their land lease contract where they agree to connect to the LRA microgrid. Never the less, this same clause is in the PREPA contract for their clients, however, connection and use are two different subjects, one can connect to the grid but also have its own power generation system such as PV. How is LRA guaranteeing the proponent that existing and new clients actively use the new microgrid and the proponent generated power.</p> <p>One possible solution is to also to somehow include, as part of the proponent scope of work, to provide energy efficient hardware and technology and make each client part of the generation system in the grid. Would this be applicable?</p>	<p>Each Respondent is encouraged to propose terms that it would request for LRA's consideration to include in the lease with Tenant. Separately, the LRA would consider a structure whereby the Tenant have an interest with the Microgrid Developer in all or part of the system's assets.</p>

No.	Company	QUESTIONS	ANSWERS
99	Caribbean Synergy Development Corp.	7. It is our understanding that the Eastern Region was one of the hardest hit regions of the island, can this proposed project extend to the Eastern Municipalities and other Municipalities as well or is it confined to the NSRR?	The proposed project is for NSRR, but the bidders can consider energy generation for other areas outside the base. It is the bidders sole responsibility to perform the due diligence or agreements with external clients.
100	Caribbean Synergy Development Corp.	8. We understand that efforts to rebuild the distribution system may be underway soon: a. what is the timeframe in which the distribution system is expected to be operational? b. What are the characteristics and specifications of the new distribution system or would it be the same distribution system as prior to the Hurricanes. c. If a similar distribution system as prior to Maria, to have a state of the art generation system it is imperative for the Grid distribution system to be brought up to the current standards and new technology implemented, who will be responsible to do the modernization and upkeep of the distribution system? How would the modernization and upkeep of the Distribution system be financed?	a) The emergency repairs shall be completed by December 2018 b) The repairs only considers the replacement of affected poles and lines with similar materials and standards as the previous condition. Some minor improvements will be included, for additional safety. c) The LRA is working to obtain future FEMA public assistance funding under section 428 for permanent improvements. Those improvements would consider up to date code compliance and system redundancy an resiliency.
101	Caribbean Synergy Development Corp.	9. Financial Considerations a. Billing: Will the proponent be responsible for Electricity billing system? We looked at the current billing system by PREPA, we will suggest for this operation a smart billing system that will record user electricity usage data to improve the efficiency and if it is allowed, the system will cut unnecessary load according to a prior agreement with the users. Is that applicable? b. In the NSRR visit it was expressed that LRA will retain ownership of the Distribution system. Taking into consideration that there are some funding sources available in the form of Grants and other DOE and EPA programs, and some of this funding is available to government entities such as the Puerto Rico government (i.e. LRA), has the LRA consider any model of PPP partnership with the proponent to help access those funds and make LRA a participant in the project. c. Are there any forms of Federal guarantees expected for this project in what form?	a) Yes. The Microgrid Developer will be responsible for the billing. The LRA welcomes all proposals. b) The LRA is open to reasonable assistance in any IIIIP structure. c) The LRA is not anticipating applying for any such awards. The LRA welcomes any and all proposals.
102	Caribbean Synergy Development Corp.	10. Project submission timeline: we understand that LRA and the Government of Puerto Rico, in general, is under great pressure to act, we also understand that this year's hurricane season is also upon us, however, as all serious power companies participating in the NSRR visit expressed at the time, because of the limited size of this project, the scope of work and the many financial considerations, in order to prepare a well thought out design, engineering, construction and financial proposal that does good service to the LRA and its clients the current deadline for proposal needs to be extended. We would suggest an extension of no less than 60 days at the very least 90 would be ideal. Since the NSRR visit some of the companies in various parts of the world have been discussing ways to combine company resources to maximize the technology advantages and minimize the time in which a proponent can offer a truly state of the art expandable solution while minimizing the many risks to the LRA the government of Puerto Rico and the company.	The LRA will decide whether to extend the response deadline on or before June 29, 2018. If the deadline is extended an Addendum describing such extension will be posted on the RFP site.
103	Yunicos (an Aggreko company)	Given the very short time to develop proposals relative to the broad scope of the project, and many bidders stating as such, when will be know if the deadline to respond will be extended?	Yes, the deadline has been extended to July 31, 2018.
104	Jingoli Power	1. Has LRA performed an asset condition assessment of the existing substations, 4.16kV, 13.2kV, and 38kV Distribution?	As part of the Huricane Maria event, an assessment was performed on the condition of the main 13.2 and 38.0kV lines from the PREPA connection point in Daguao up to the waterfront area. No assessment has been performed on any of the substations. The section served by the Bundy substation and the residential areas served by the 4.16 kV are not being used. The Emergency repairs drawings will be included on Appendix K. Only India Substation will be evaluated and repaired during the construction phase (the scope of repairs will be determined by the construction contractor).
105	Jingoli Power	2. Is there a record of linear feet of 4.16kV, 13.2kV, and 38kV aerial Distribution? How much of that system is energized and being used? How much of that system abandoned in place and not being used?	See one line diagram with approximate lengths on Appendix F and emergency repairs on Appendix K.

No.	Company	QUESTIONS	ANSWERS
106	Jingoli Power	3. What is the current metering system comprised of?	PREPA have a primary voltage metering system at the Daguao connection point. PREPA has also primary and secondary meters at the current tenants facilities.
107	Jingoli Power	4. Who is maintaining the existing electrical distribution system? LRA employees or subcontractors? If subcontractor, what is their company name?	The LRA through subcontractors <i>Division 16</i> .
108	Jingoli Power	5. Who is performing the existing billing of customers? LRA employees or subcontractors? If subcontractors, what is their company name?	PREPA is doing the electric billing directly to each customer.
109	Jingoli Power	6. Who is either designing and constructing the necessary repairs to the current distribution system described in the RFP?	Integra Design Group is performing the design of the emergency repairs. The construction works has not been contracted yet.
110	Jingoli Power	7. How does LRA perform meter reads?	PREPA is doing the electric billing directly to each customer.
111	Jingoli Power	8. Will LRA assume the environmental permitting responsibility for developing/constructing DER assets on plots A1, H1, I1, or I2?	The proponent is responsible with review or coordination with the LRA.
112	Jingoli Power	9. Is Appendix B "ELECTRIC LOADS DEMANDS FOR CURRENT & PROPOSED TENANTS" available in excel?	Yes it is available. See Appendix L
113	Jingoli Power	10. Are any of the following drawings available in CAD or pdf? • single line drawings • substation drawings • site drawings	Drawings are available on pdf format, see Appendices F and K.
114	Jingoli Power	11. Is there a list of current customers connected to the Roosevelt Roads electric grid paying utility bills?	The current demand was provided in the RFP documents.
115	Jingoli Power	12. Is there a 3 year history of payment/revenues to LRA from existing customers connected to the Roosevelt Roads electric grid?	PREPA is doing the electric billing directly to each customer. The LRA does not have that information.
116	Jingoli Power	13. What is the electric rate for current customers connected to the Roosevelt Roads electric grid?	The current PREPA billing rates apply. Typically between 20 to 30 kw.hr. PREPA rates calculation regulation: <a href="https://www.aeepr.com/Documentos/Ley57/Tarifa/03%20Attachment%20B%20-%20Schedules/J%20Schedules.pdf">https://www.aeepr.com/Documentos/Ley57/Tarifa/03%20Attachment%20B%20-%20Schedules/J%20Schedules.pdf</a>
117	Jingoli Power	14. Is there any more granular data on usage and peak demand for the entire site at Substation Dagua for the past 3 years? 15 minute/30minute/1 hr intervals? Daily/monthly usage/demand?	The LRA does not have that data.
118	Jingoli Power	15. Is there any more granular data on usage and peak demand for the existing customers for the past 3 years? 15 minute/30minute/1 hr intervals? Daily/monthly usage/demand?	The LRA does not have that data.
119	Jingoli Power	16. Does LRA have any data on the existing outage and reliability metrics of the site (SAIDA, SAIFI, CAIDI, CAIFI)?	The LRA does not have that data.
120	InterEnergy	1. Public lighting. The RFP indicates that "the Microgrid Developer is required to furnish the required electricity for public and street lighting at no charge to the LRA". Q: Will the LRA revamp the actual system together with the grid using the FEMA funding and deliver a working system or will the Microgrid Developer have to reinstall it completely? Please highlight in a road map what would the areas that would be revamped by LRA or that would need to be covered initially by the Microgrid Developer. Please provide a summary of installed light poles and capacity	LRA is currently working on the distribution system repairs with FEMA only on previously occupied areas before the hurricane. There is no street lighting on those areas and is not included on that project. The LRA is working on a future proposal to install LED street lighting on the main roads. The microgrid developer will be responsible to provide electric power service with no monthly billing cost to the LRA, if the LRA installs the lighting system.
121	InterEnergy Holdings	2. Grid. During the visit, it was mentioned by LRA that the 58kv lines along with India substation and its 11kv area of influence will be reconditioned previous to the handover to the Microgrid Developer. Q: What will happen to the rest of the grid? Will it be reconditioned as part of a new project led by LRA with FEMA funding or will it be handed over to the Microgrid Developer in an as-is basis? Q: Please indicate which areas will be reconditioned and the scope of the works to be done. Q: Who will be responsible of reconditioning of all substations of the project? If LRA will do it, what technical standard will they use? Q: Please provide a one-line diagram with details on the current grid, including conductor size, number of poles, status of poles and lines, etc	The rest of the grid will be handed to the developer as-is. The LRA will continue to work on a FEMA proposal for the future reconditioning. The future reconditioning scope is still not defined. The LRA will only re-condition India Substation on the current emergency repairs project, using PREPA Standards. One line and system diagram will be included on Appendix F and emergency repairs drawings will be included on Appendix K.

No.	Company	QUESTIONS	ANSWERS
122	InterEnergy Holdings	<p>3. Service.</p> <p>Q: If a new tenant arrives to the project and there is no grid near him, who will bear the cost of extending the grid to him, LRA, tenant or the Microgrid Developer?</p> <p>Q: Please provide the conditions signed on the lease contracts regarding the exclusivity of energy supply by the Microgrid Developer.</p> <p>Q: Please explain further what provisions will be provided by LRA to prevent tenants from having their own energy supply and the obligation to purchase from the Microgrid Developer</p> <p>Q: Please provide a daily load profile for current tenants and/or Roosevelt Roads (at PREPA substation)</p>	<p>A: The microgrid developer will be responsible to provide the service and to charge or require the tenant a fee for the improvements. Fees schedule to be provided by the developer.</p> <p>B: Typical language included in current lease agreements includes but is not limited to: <i>Landlord is in the process of issuing a request for proposal to establish an energy generation, distribution and operation system within the Roosevelt Roads premises independent from PREPA. Once the energy system is operational all tenants have to connect to the system.</i></p> <p>A: Proponents may suggest additional provisions to be included in lease agreements to prevent tenants from having their own energy supply and the obligation to purchase from the Microgrid Developer</p> <p>A: The daily profiles are not available.</p>
123	InterEnergy Holdings	<p>4. Renewable energy resource.</p> <p>Q: Have there been any wind measurements campaign at site? Please provide data.</p> <p>Q: Is there any irradiance study made on site. Have any of the tenants installed or have plans to install renewable generation means at their premises?</p>	<p>The only available data is wind data from the Roosevelt Roads International Airport Master Plan, prepared by PBs&amp;J for the PR Ports Authority on Sept. 2007 will be included as new Appendix J. There is no irradiance study. No tenants have installed renewable generation sources.</p>
124	InterEnergy Holdings	<p>5. Article 2.9 states "The Microgrid Developer will also be responsible for horizontal development, including utilities, access roads, public and street light service and other improvements in respect of the foregoing in accordance with one or more licenses, easements and/or lease agreements to be entered into between the LRA and the Microgrid Developer."</p> <p>Q: What exactly is considered to be the scope of the work to be done by the Microgrid Developer? What is "horizontal development", "utilities" and "access roads"?</p>	<p>All the necessary construction works for the microgrid generation and/or distribution facilities proposed by the bidders, including but not limited to buildings, structures, fences, power lines, access roads or any other necessary facility.</p>
125	InterEnergy Holdings	<p>6. Others.</p> <p>Q: What are the requirements needed to get a Certification to do business in Puerto Rico? Will a foreign company be eligible for the bid or is mandatory to have a US or PR-based company to participate in the bid?</p> <p>Q: What is the applicable municipal license tax (patente) for this municipality?</p>	<p>Yes, a a foreign company may be eligible for the bid. Please confirm with the municipality of Ceiba the the applicable municipal license tax (patente) for this municipality.</p>
126	Written question at Pre-proposal Conference	<p>Please embellish upon the LRA's interest in owing generations assets</p>	<p>The LRA will own the distribution system but not the generation assets.</p>
127	Written question at Pre-proposal Conference	<p>Comment made suggested bidder could own or manage these assets</p>	<p>The Microgrid Developer will manage the distribution assets and, at its option, own or manage the generation assets.</p>
128	Written question at Pre-proposal Conference	<p>How is battery storage socred as a matter of RE generation?</p>	<p>To the extent it increases renewable deployment, that benefit will be considered. Otherwise, each Respondent should propose how the battery system will be used and what additional services will be provided.</p>
129	Written question at Pre-proposal Conference	<p>Is their a load profile of the current tenants available?</p>	<p>This data is currently unavaible. Although the LRA is the owner of the distribution system, PREPA is directly metering and billing each individual tenants. The load profiles have been requested to PREPA, but we have not received the information.</p>
130	Written question at Pre-proposal Conference	<p>Since the Sist. System will be ownd by LRA, what type of insurance coverege will be in place for damages to system due to act of God, vehicle, tree, etc.</p>	<p>The LRA will not provide insurance.</p>
131	Written question at Pre-proposal Conference	<p>Does PREPA have Interconnection rule for microgrid?</p>	<p>The LRA understands that those rules will be issued in July.</p>
132	Written question at Pre-proposal Conference	<p>Public street lighting provided at no cost. How much energy is needed to be provided? How much public lighting existed?</p>	<p>The amount is subject to negotiation with the LRA.</p>
133	Written question at Pre-proposal Conference	<p>Is Buy American at play?</p>	<p>No</p>

No.	Company	QUESTIONS	ANSWERS
134	Written question at Pre-proposal Conference	Will you publish in your website the name and contacts of the registered participants? So that everybody know who is participating.	The information has been posted.
135	Written question at Pre-proposal Conference	Will you all release the list of participants so specialized contractors know who to submit there info to?	The information has been posted.
136	Written question at Pre-proposal Conference	Is there potencial for wind power by integrating midsize/midsclae turbines with other generation systems?	Yes based on each Respondent's review and proposal.
137	Written question at Pre-proposal Conference	Are there many environmental issues regarding wind turbines?	Each Respondent is responsible for reviewing environmental and related requirements.
138	Written question at Pre-proposal Conference	Is the LRA going to be Financially liable to the microgrid Operator if they cannot deliver electrivity to the customers?	No.
139	Written question at Pre-proposal Conference	Can excess power generated be sold to PREPA?	Yes; each Respondent is responsible for reviewing PREPA's requirements.
140	Written question at Pre-proposal Conference	This a US GOV funded program? How is payment for management of Produced energy in guarantee?	The LRA will not provide any guarantee.
141	Written question at Pre-proposal Conference	How energy usage expansion is calculated?	Please refer to the load demands table on Appendix B of this RFP.
142	Written question at Pre-proposal Conference	If the LRA owns the distributions system, will the LRA investing bringing up to date the distribution system?	The LRA is working to obtain future FEMA public assistance funding under section 428 for permanent improvements. Those improvements would consider up to date code compliance and system redundancy an resiliency.
143	Written question at Pre-proposal Conference	What expectation of new tenant are there and what measures are in place to atract new tenants?	The LRA has signed 4 new leases in 2018 and is currently negotiating with 5 proponents. Expectations are to sign 5 additional leases before the end of the year. Ten new proposals are been evaluated by the LRA Board currently. For 2019 the LRA's plans are to expand the development by doing a promo-tour of the remaining land to be developed.
144	Written question at Pre-proposal Conference	this a very complex project, will you extend the bid date?	See answer to 103 above.
145	Written question at Pre-proposal Conference	How many tenants are currently on site?	11 tenants are currently on the site including Department of Homeland Security, Army Reserve and National Guard
146	Written question at Pre-proposal Conference	How many tenants were there before the storm? If the left are committed to return?	14 tenants were in RR before the storm. The 3 that left have not expressed their interest to return.
147	Written question at Pre-proposal Conference	What was the energy spread from the tenants?	Please refer to the load demands table on Appendix B of this RFP.
148	Written question at Pre-proposal Conference	If any proposal for veterans like a hospital or clinic?	The LRA receives many proposals but there is no such active Tenant.
149	Written question at Pre-proposal Conference	If the Distribution is damage by a storm or hurricane who will be responsible to pay for the repairs?	After the system is delivered to the selected bidder, it will be their sole responsibility, except for ongoing improvement projets previously agreed with the LRA.
150	Written question at Pre-proposal Conference	Is the ESP responsible for establishing Disaster Recovery Plans with Federal Gov agencies for damage not repaired by FEMA?	Yes; each Respondent should include related requirements in its proposal.

No.	Company	QUESTIONS	ANSWERS
151	Written question at Pre-proposal Conference	Will a detailed one-line diagram be made available?	We have available a one-line diagram prepared by the US Navy on 2005, that can be used as a general reference only. There can be minor changes in the system that may not be reflected on those diagrams. The one-line diagram will be included on this Addendum as Appendix F
152	Written question at Pre-proposal Conference	Is the existing wind generation considered part of the microgrid?	Currently there is no wind generation at the facilities. The Army Reserve have one wind generator inside its premises but we believe is not currently in operation.
153	Written question at Pre-proposal Conference	Does the gas turbine at Daguao Substation belong to PREPA?	Yes, the turbines belongs to PREPA. PREPA Daguao consists of two simple cycle combustion turbines that use low sulfur distillate oil to produce electricity.
154	Written question at Pre-proposal Conference	Would you guarantee the purchase of a minimum amounts of energy? If so, at what price?	No.