

Call for Expressions of Interest to Construct, Own and Operate a Solar Power Facility in the ACT

Evaluation Criteria

5.2 Threshold Criteria

5.2.1 The Territory is seeking EOIs that demonstrate the following capabilities for the construction, ownership and operation of an ACT Solar Power Facility which:

- (1) employs commercially proven² direct solar technology;
- (2) is capable of providing power to at least 10,000 ACT homes (10,000 ACT homes are estimated to require approximately 86,000MWh/annum);
- (3) is located on a single site or sites within the ACT;
- (4) is a commercially viable, over the next 5 to 10 years, private sector operation with sufficient own source equity financing and a robust business plan that demonstrates an ability to operate within the National Electricity Market;
- (5) must cover any shortfalls in output in electricity production at the Solar Facility by using renewable energy;
- (6) must be connected to the National Grid;
- (7) must have an aggregate nameplate rating of 30 MW or greater to meet the scheduled generator requirements under the National Electricity Market; and
- (8) is neither directly owned, nor operated by the Territory³.

5.2.2 EOIs that do not meet the above Threshold Criteria will not be considered.

5.3 Evaluation Criteria

Respondents should provide a clear and succinct statement of their capabilities for the project and in particular address the following evaluation criteria:

- (1) the extent to which the proposed facility meets or exceeds the Threshold Criteria in section 5.2;
- (2) the extent to which the proposed facility has been proven in use;
- (3) management, technical knowledge and expertise of the Respondent to meet the Threshold Criteria in section 5.2;
- (4) the proposed corporate or other entity structure and financial and corporate viability of the Respondent to fulfil contract obligations;
- (5) proposed implementation plan;
- (6) proposed use of any Renewable Energy Certificates that may be generated by the sale of electricity from the facility;
- (7) proposed environmental, economic and community benefits anticipated to accrue to the Territory; and
- (8) proposed level and form of Territory contribution.

² Commercially proven technology is taken to mean relatively mature technology at the stage of commercial demonstration or operation.

³ This does not preclude ACTEW or ActewAGL from submitting an EOI in their own right or in a consortium. Also, it does not preclude consideration of any form of equity that may be purchased or transferred to the Territory.



CALL FOR EXPRESSIONS OF INTEREST

**ACT Department of the Environment,
Climate Change, Energy and Water**

**CALL
FOR
EXPRESSIONS OF INTEREST
TO**

**Construct, Own and Operate a Solar Power
Facility in the ACT**

MAY 2009

EXPRESSIONS OF INTEREST TO BE LODGED AT

**The Tender Box
ACT Procurement Solutions
Ground Floor, North
Dame Pattie Menzies House
16 Challis Street
DICKSON ACT 2602**

**EOIs TO BE MARKED
T09321**

**CLOSING DATE
9 July 2009**

**CLOSING TIME
2:00pm (Eastern Standard Time)**

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ACT SOLAR POWER FACILITY PROJECT
CALL FOR EXPRESSION OF INTEREST

1. INTRODUCTION

1.1 General

1.1.1 The Australian Capital Territory (ACT) Department of the Environment, Climate Change, Energy and Water (*DECCEW*), is seeking Expressions of Interest (*Call for EOIs*) for the selection of suitable Respondents to undertake the planning, design, construction, ownership, operation, financial management and facility management of a large-scale Solar Power Facility with an Aggregate Nameplate Rating of 30 MW or greater within the ACT. For the purposes of this process a 30 MW Aggregate Nameplate Rating is defined as the minimum to power at least 10,000 Canberra homes.

1.1.2 Potential respondents submitting an EOI are referred to in this Call for EOIs as *Respondents*, and their submissions referred to as *EOIs*.

This Call for EOIs is provided to Respondents contemplating expressing interest and is to be used as the basis for submission of any EOI. Respondents will be assessed against the criteria contained in sections 5.2 and 5.3 and any EOI must be submitted by reference to and in accordance with the EOI Requirements in section 5.4 below and the attached Schedules detailed later in this Call for EOIs.

1.2 Background

1.2.1 On March 3 2009 an Industry Consultation Session was held in the Theo Notaras Building in Canberra in order to present an overview of the project to potential EOI respondents. Potential respondents were given the opportunity to submit additional questions and comments via email within seven working days of the session. Responses to all questions and the material made available by the Territory are published at www.procurement.act.gov.au and www.environment.act.gov.au/energy/solar_facility.

1.2.2 A two stage selection process is anticipated as the methodology to enable the testing of the marketplace by this EOI process (*Stage 1*), and then subject to responses, issuing a Request for Proposal (*RFP*) to short-listed respondents (*Stage 2*). However the Territory reserves the right not to proceed with Stage 2 (as indicated in section 2.1.5).

1.3 Project Outcomes

1.3.1 In line with policy objectives, the Territory anticipates the construction of a Solar Power facility on a single site or several sites within the ACT which employs commercially proven solar technology. Potential Respondents that do not have commercially proven technology can separately approach the Territory regarding their proposals to determine what assistance may be available to assist in proving up their technology within the ACT but outside this EOI process.

1.3.2 The Facility must have an aggregate nameplate rating of 30 MW or greater to meet the scheduled generator requirements under the National Electricity Market.

1.3.3 The Facility must be supported by a Business Plan that demonstrates that it will be a commercially viable private sector operation over the next 5 to 10 years and shows a

business commitment to Australian Industry Development. It must be neither owned nor operated by the Territory and with no expectation of any ongoing financial assistance from the Territory¹. The requirement that the facility or be neither owned nor operated by the Territory does not preclude consideration of shares that may be purchased by or transferred to the Territory.

2. SELECTION STRATEGY

- 2.1.1 An industry consultation phase has already been conducted to publicise the project, stimulate industry and prove and gather information to guide the finalisation of project scope and implementation.
- 2.1.2 The following outlines the indicative two stage process which will follow. This process has been selected as the most appropriate selection method for this project. The objectives of the project are best served by the adoption of this method as it enables the testing of the marketplace, communication of the desired outcomes and the opportunity for the Territory to encourage suppliers to offer innovative solutions to achieve the outcomes identified at 1.3 above.
- 2.1.3 Stage 1 of the selection strategy is this Call for EOIs. EOIs will be assessed against the evaluation criteria and Respondents will be ranked and short listed. Those Respondents who are short listed will then be invited to participate in the second stage outlined below.
- 2.1.4 Stage 2 *Request for detailed proposals* will involve the issuing of calls for detailed proposals from any short-listed Respondents following assessment of the EOIs received under Stage 1. This will be followed by negotiation of a final proposal and relevant agreement with the preferred proponent/s following assessment of detailed proposals. The Territory will retain the right to freely negotiate with the preferred proponent/s to achieve the most effective outcome for the Territory's contribution to the establishment of a solar power facility.
- 2.1.5 The Territory reserves the right not to proceed to Stage 2 if there is an insufficient number of EOIs that demonstrate the capabilities required in Stage 1. In that event, the Territory may consider seeking a detailed proposal from only one Respondent.

3. LOCATION

3.1 Site Selection

- 3.1.1 The selected potential sites must meet the technical criteria detailed below for the efficient operation of a solar farm but must also meet the requirements of the Environmental Protection Authority, heritage requirements; health; planning and other community based concerns such as impact on other uses, including recreational use. The Territory is considering sites on unleased Territory land to be made available for proponents at a value to be negotiated after advice from the Australian Valuation Office. Proponents may choose other sites in private negotiation with the lease holders. Details on the sites on Territory land in the Kowen and Ingeledene Forestry areas are available from the websites at www.procurement.act.gov.au and www.environment.act.gov.au/energy/solar_facility . The Territory reserves the right to change or withdraw the sites.

¹ This would not preclude ACTEW or ActewAGL from submitting an EOI.

- 3.1.2 The final proponent or proponents will be responsible for securing all necessary regulatory approvals under the Territory's Planning laws irrespective of the facility being located on presently unleased or leased land.
- 3.1.3 The Territory has identified potential sites in the Kowen and Ingledene forestry areas for the proposed facility. The following indicative features influenced the Territory's proposed sites, however the Territory does not warrant that any sites which it notifies will be suitable for the purpose of the facility or will meet any planning, use or other regulatory requirements. Indicative features are:
- (1) a minimum of 100ha in size;
 - (2) cleared land with no significant shading;
 - (3) level land with only a gentle gradient, preferably north-facing;
 - (4) land suitable for access roads to all parts of the plant to allow regular vehicle access to solar reflectors;
 - (5) located as near as practical to a connection point to transmission or distribution high voltage transmission network;
 - (6) access to a water supply and waste water disposal;
 - (7) appropriate separation from domestic residences and noise and visual impact-sensitive areas;
 - (8) located so that the site is not overlooked by significant population centres;
 - (9) located away from major plumes or sources of dust which could obscure sunlight and coat surfaces with a film that would reduce plant efficiency;
 - (10) not create a hazard to aircraft; and
 - (11) appropriate zoning and environmental considerations.

Full details will be advised to the short listed Respondents with the release of the Request for Proposal.

4. INDICATIVE PROJECT BUDGET

- 4.1.1 The Territory has committed \$30 million to the Solar Power Facility project which may be contributed in a range of ways, including but not limited to consideration of the grant of unleased Territory land.
- 4.1.2 To the extent that the Territory's commitment will involve the contribution of funds towards the project, the ACT Government will appropriate the relevant funds on the final selection of a proponent.

5. SELECTION PROCESS

5.1 General

- 5.1.1 This Call for EOIs is the first stage of a two-stage process. Stage 1 is anticipated to result in the short-listing of suitably experienced Respondents who may be invited to submit a detailed proposal. The Stage 2 is expected to be the submission and evaluation of detailed proposals from the short-listed Respondents.
- 5.1.2 The Territory at its discretion may request further information from a Respondent to clarify any EOI. The Territory has no obligation however to do so.

5.2 Threshold Criteria

5.2.1 The Territory is seeking EOIs that demonstrate the following capabilities for the construction, ownership and operation of an ACT Solar Power Facility which:

- (1) employs commercially proven² direct solar technology;
- (2) is capable of providing power to at least 10,000 ACT homes (10,000 ACT homes are estimated to require approximately 86,000MWh/annum);
- (3) is located on a single site or sites within the ACT;
- (4) is a commercially viable, over the next 5 to 10 years, private sector operation with sufficient own source equity financing and a robust business plan that demonstrates an ability to operate within the National Electricity Market;
- (5) must cover any shortfalls in output in electricity production at the Solar Facility by using renewable energy;
- (6) must be connected to the National Grid;
- (7) must have an aggregate nameplate rating of 30 MW or greater to meet the scheduled generator requirements under the National Electricity Market; and
- (8) is neither directly owned, nor operated by the Territory³.

5.2.2 **EOIs that do not meet the above Threshold Criteria will not be considered.**

5.3 Evaluation Criteria

Respondents should provide a clear and succinct statement of their capabilities for the project and in particular address the following evaluation criteria:

- (1) the extent to which the proposed facility meets or exceeds the Threshold Criteria in section 5.2;
- (2) the extent to which the proposed facility has been proven in use;
- (3) management, technical knowledge and expertise of the Respondent to meet the Threshold Criteria in section 5.2;
- (4) the proposed corporate or other entity structure and financial and corporate viability of the Respondent to fulfil contract obligations;
- (5) proposed implementation plan;
- (6) proposed use of any Renewable Energy Certificates that may be generated by the sale of electricity from the facility;
- (7) proposed environmental, economic and community benefits anticipated to accrue to the Territory; and
- (8) proposed level and form of Territory contribution.

5.4 EOI Requirements

5.4.1 The EOI must include:

- (1) EOI Undertaking Form (Schedule CP1). Completed, signed and witnessed.

² Commercially proven technology is taken to mean relatively mature technology at the stage of commercial demonstration or operation.

³ This does not preclude ACTEW or ActewAGL from submitting an EOI in their own right or in a consortium. Also, it does not preclude consideration of any form of equity that may be purchased or transferred to the Territory.

- (2) Financial and Company Structure Details (Schedule CP2). The Respondent is required to submit one copy of the two most recently audited financial statements (or other equivalent financial information) for each Key Entity, containing the last three years' financial statements. Where a parent company guarantee, undertaking, indemnity or other credit support is intended to be provided, annual reports for the parent company should be submitted, provided a letter from the parent company is included confirming its intended support. The Respondent is also required to submit full details of the Company Structure. These documents should be provided as an attachment to the EOI.

5.4.2 Respondents' EOIs must address the assessment criteria described in this Call for EOIs including providing at least the minimum information specified below:

- (1) identify and justify the technology to be used in the solar power facility;
- (2) detail ability to successfully finance the facility through reference to previous experience and proposed funding strategy for the facility;
- (3) present the results of established installations, pilot trials or other relevant research and development;
- (4) demonstrate previous experience (supported by references) on similar projects undertaken;
- (5) identify the scale of the solar power facility proposed to meet the Project Scope detailed in paragraphs 1.3 and 5.2 above;
- (6) calculate the facility's estimated whole of life contribution to reducing ACT greenhouse gas emissions;
- (7) clearly identify the proposed location/s of the facility;
- (8) estimate the cost of designing and constructing the solar power facility, with the indicative cost for a 30MW facility for those that propose a greater capacity facility, as well as the level and form of indirect or direct Territory assistance or contribution, if any, that may be required;
- (9) identify the environmental, economic and community benefits anticipated to accrue to the Territory;
- (10) identify the risks associated with the solar power facility and provide an outline of the intended risk mitigation strategies to be employed;
- (11) outline an indicative timeframe for construction;
- (12) determine the preferred business model for the solar power facility;
- (13) demonstrate the Respondent's financial, construction and operational capacity to deliver the facility;
- (14) provide details of particulars for any foreign national, foreign bodies etc in a position to exercise influence or control over the Respondent, its decisions or activities; and
- (15) for a foreign firm or company, details of its registration, incorporation and place of business in Australia and the name of any Australian representative and its ABN/ARN if any.

5.4.3 Please note that Expressions of Interest only are sought at this time, not full proposals. **Consequently, there is no requirement to submit a full price at this stage. Indicative estimates are all that is required for this Stage 1.**

5.4.4 Respondents will be notified if they are to be invited to participate in Stage 2. Respondents that are not short listed will be advised in writing as soon as practicable after a decision to proceed to Stage 2 is made.

5.5 Selection Timetable

5.5.1 The project timeline below is indicative only.

Key Milestone		Indicative Timeline
Stage 1 Call for EOIs	Announcement of Call for EOIs	15 May 2009
	Closing date for EOIs	9 July 2009
	Evaluation of EOIs	July 2009
Stage 2 Request for Detailed Proposals	<ul style="list-style-type: none"> • Request for Detailed Proposals sent to selected Respondents from stage 1. 	September 2009
	<ul style="list-style-type: none"> • Closing Date for Proposals. 	early December 2009
	<ul style="list-style-type: none"> • Evaluation of detailed Proposals. 	December 2009/January 2010
	<ul style="list-style-type: none"> • Negotiations with Preferred Proponent 	February/March 2010
	<ul style="list-style-type: none"> • Contract Signature 	April 2010

6. REQUIREMENTS FOR REGISTRATIONS

6.1 Submission of EOIs

6.1.1 Each Respondent must lodge one bound original of its EOI (marked "ORIGINAL") plus two (2) unbound copies of its EOI in hard copy (paper) format and one (1) electronic copy on CD Rom in PDF format. In the event of any discrepancies among the copies, the hard copy (paper) marked "ORIGINAL" will prevail.

6.1.2 The submission and all other communications with the Territory shall be in the English language.

6.1.3 Submissions shall be lodged no later than **2:00pm (Canberra Time) on the date specified on the cover sheet of this document.**

6.1.4 Expressions of Interest shall be marked:

**Call for Expressions of Interest
T09321
ACT Solar Power Facility**

6.1.5 Submissions of EOIs are only to be either:

1) posted via registered mail to:

The Tender Box
ACT Procurement Solutions
Department of Treasury
PO Box 818
DICKSON ACT 2602

2) hand delivered to and deposited in:

The Tender Box
ACT Procurement Solutions
Ground Floor North,
Dame Pattie Menzies House,
16 Challis Street,
DICKSON ACT, 2602.

Faxed or emailed EOIs will not be accepted.

6.2 Late Submissions

- 6.2.1 An EOI submitted by prepaid post which reaches the Tender Box after the closing date and time may be considered only if it can be established to the satisfaction of the Territory that it was posted before the date and time for closing of the EOIs and in the ordinary course of post would have been received at the Tender Box by that date and time. EOIs meeting the preceding criteria will be deemed not to be late. Impressions of franking machines are not acceptable evidence of timely posting or dispatch.
- 6.2.2 Where a late EOI is received, the time and date of receipt shall be noted on the document and endorsed by the recipient.
- 6.2.3 Late EOIs and incomplete EOIs may be admitted to evaluation at the absolute discretion of the Territory. In deciding whether to admit a late EOI to evaluation, the Territory may take into account any factors it considers relevant, including (without limitation):
- (1) whether the late Respondent is likely to have had an opportunity to obtain some unfair advantage from the late submission;
 - (2) how late the EOI is, the reasons given for lateness and evidence available;
 - (3) whether the EOI was mishandled by the Territory, by an official postal service or by a reputable delivery service; and
 - (4) evidence of unfair practices.

6.3 Costs

- 6.3.1 No payment will be made by the Territory to any company or person for any costs, losses or expenses incurred by that company or person in preparing its EOI.

- 6.3.2 The Territory will not be liable to any Respondent on the basis of any promissory estoppel, quantum meruit or on any other contractual, quasi contractual or restitutionary grounds whatsoever or in negligence as a consequence of any matter or thing relating or incidental to a Respondent's participation in the EOI process, including, without limitation, instances where:
- (1) the Territory varies or terminates the EOI process or any negotiations with a Respondent; or
 - (2) the Territory exercises or fails to exercise any of its other rights under or in relation to this Call for EOIs or any subsequent proposal process.

6.4 Contact Officer

- 6.4.1 Respondents may communicate by email any requests for clarification of any requirements of this Call for EOIs with:

Deborah Peereboom
Project Officer
Infrastructure Procurement
ACT Procurement Solutions
Email: deborah.peereboom@act.gov.au

- 6.4.2 The Territory will provide the answers to requests for clarification to all potential Respondents on a non-attributable basis by displaying all questions and answers on its web page at www.procurement.act.gov.au.
- 6.4.3 The Territory may amend this Call for EOIs at any time prior to the closing date and time for EOIs set out in this document. Any amendment to this Call for EOIs will be issued in the form of an addendum and will be display on the ACT Procurement Solutions website at www.procurement.act.gov.au. No explanation or interpretation of this Call for EOIs may be relied upon by Respondents unless given in the form of an addendum.

6.5 Conflict of Interest

- 6.5.1 Should a Respondent identify a potential conflict of interest (or circumstances that may reasonably be perceived to give rise to actual or potential conflicts) in relation to their EOI, the Respondent should clearly outline in detail the nature of the potential conflict for review and determination by the Territory.
- 6.5.2 If during the Call for EOIs process a potential conflict of interest arises, or appears likely to arise, the Respondent must notify the Territory immediately in writing and take such steps as the Territory may reasonably require to resolve or otherwise deal with the conflict. If the Respondent fails to notify the Territory or is unable to resolve the conflict as required, the Respondent may be excluded from further consideration.
- 6.5.2 The following statements appeared in material issued for the Industry Consultation Session held on 3 March 2009.

1.3.1 ActewAGL

“ActewAGL” refers to the venture established in October 2000 between the Australian Gas Light Company (AGL), a major private sector group, and ACTEW Corporation, a Territory-owned corporation¹. ActewAGL provides a full range of essential services - electricity, natural gas, water, waste water and internet connection - to a large range of customers in Canberra, ACT.

1.3.2 Disclosure of ActewAGL Involvement

ActewAGL engaged Parsons Brinckerhoff to undertake the Feasibility Study.

The Territory contributed funding towards this Study, being \$54,000AUD (GST exclusive). In return for this funding, the Territory provided input into the Study’s terms of reference (see Section 1.3 above), provided comment on the draft Study, and received a copy of the report for ACT Government to publish and consider. Neither ActewAGL nor Parsons Brinckerhoff has been: involved in the ACT solar power facility initiative since the public release of the Study on 3 September 2008; or privy to any ACT Government deliberations in respect to this project and the proposed procurement process.

The selection process, is anticipated to be a two-stage process. The process does not preclude ActewAGL (or ACTEW Corporation or AGL) from responding to the first stage of the process. As with all respondents to the first stage of the process, ActewAGL will only be eligible to participate in the second stage if the independent evaluation team assesses its Expression of Interest as suitable to proceed to the second stage.

Potential Respondents, including ActewAGL, ACTEW and/or AGL, are notified that, without limiting any disclosures that may be required of any Respondent under paragraph 6.5.1, if ActewAGL, ACTEW and/or AGL, submit an EOI, the Territory expects to receive a disclosure that relevantly addresses any actual, potential or perceived conflict of interest.

6.6 Disclosure, Confidentiality and Licence

- 6.6.1 Respondents should be aware the Territory may be required to disclose information, either under the *Freedom of Information Act 1989* or by the responsible Minister in the Legislative Assembly.
- 6.6.2 Respondents should be aware that confidentiality of EOIs may be subject to exceptions where the information:
- (1) is required, or authorised, to be disclosed by law;
 - (2) must be disclosed to the Territory’s solicitors, auditors, insurers, advisers or the Territory Ombudsman;
 - (3) is disclosed by the Auditor-General, in the public interest, in a report to the ACT legislative Assembly;
 - (4) is required to be disclosed by the Legislative Assembly or its Committees; or
 - (5) is reasonably necessary for the enforcement of criminal law or for the protection of the public revenue.
- 6.6.3 The Territory reserves the right for its officers, employees, agents, advisers, Ministers and other Territory representatives to copy, adapt, modify, disclose or do anything else necessary (in the Territory’s absolute opinion) in respect of an EOI or

any other material (including that which contains intellectual property rights of the Respondent or any other person) contained in an EOI for the purposes of:

- (1) evaluating/clarifying the EOI and any subsequent proposal;
- (2) negotiating any resultant agreement with the Respondent; and
- (3) managing any resultant agreement (if any).

6.6.4 In submitting an EOI and any other material in response to this Call for EOIs, each Respondent thereby grants to the Territory a licence to use the EOI and associated material for the purposes set out in paragraph 6.6.3, and including disclosures under paragraphs 6.6.1 and 6.6.2.

6.7 Ownership of EOIs

All EOIs, including paper and electronic copies become the property of Territory on submission.

6.8 Territory's Rights

6.8.1 Without limiting its rights at law or otherwise, the Territory reserves the right in its absolute discretion at any time to:

- (1) cease to proceed with the process outlined in this Call for EOIs;
- (2) change the structure and timing of the EOI process;
- (3) change or withdraw any nominated site;
- (4) vary or extend any time or date in this EOI for all or any Respondent or other persons, at any time and for such period, as the Territory in its absolute discretion considers appropriate;
- (5) suspend or vary this EOI process or any part of it;
- (6) terminate further participation in the EOI process by any Respondent for any reason, regardless of whether the EOI submitted conforms with the requirements of this EOI;
- (7) terminate any negotiations being conducted at any time with any Respondent for any reason;
- (8) request additional information or clarification from any Respondent or anyone else or provide additional information or clarification;
- (9) negotiate with any one or more Respondents and allow any Respondent to change its EOI;
- (10) accept or reject any EOI received after the Closing Time;
- (11) consider and accept or reject any EOI that does not comply with this Call for EOIs;
- (12) negotiate with any person who is not a Respondent and enter a Contract on such terms as the Territory in its absolute discretion accepts without prior notice to any other Respondent;

- (13) publish or disclose the names of Respondent(s) that will be invited to participate in Stage 2; or
- (14) to allow or not allow a related body corporate within the meaning of the Corporations Act 2001 (Commonwealth) to take over a EOI in substitution for the Respondent to this Call for EOIs or the Request for Proposals.

6.8.2 Any time or date in this Call for EOIs is for the sole convenience of the Territory. The nomination of a time or date in this EOI does not create an obligation on the part of the Territory to take any action, nor any right of any Respondent that any action be taken on the date nominated. The Territory may, but is not obliged to, notify affected Respondents if it exercises any of its rights listed in this **section 6.8** but will not be obliged to provide any reasons for its actions.

6.9 Probity Adviser

6.9.1 The Territory has appointed a probity adviser to overview the processes in relation to the Call for EOIs and the remaining stage of this project. Concerns of a probity nature should in the first instance be referred to the Contact Officer named in paragraph 6.4.1 above. Concerns will be referred to the probity adviser.

ACT SOLAR POWER FACILITY PROJECT

EXPRESSION OF INTEREST

Schedule CP1 – EOI Undertaking

Page 1 of 3

Name of Respondent

Address

Telephone (Office)

Email Address

Facsimile

Address for Correspondence (insert 'as above' if applicable)

Trading / Business Name

Australian Business Number

Business Name / Registration Number

(where applicable)

(where applicable)

I,

The person identified above / an authorised representative of the Respondent identified above (delete whichever is not applicable) hereby register an interest in being asked to submit a proposal for this project and declare that the EOI does not contain any false, misleading or deceptive misrepresentations, claims or statements.

By submitting its EOI, the Respondent acknowledges and agrees:

Page 2 of 3

- a. to the Territory's rights in the EOI; and
- b. the EOI is prepared in accordance with the Call for EOI and is accurate, complete and not misleading.

ACT SOLAR POWER FACILITY PROJECT
EXPRESSION OF INTEREST

Schedule CP1 – EOI Undertaking

PAGE 3 of 3

Signed Date

Witnessed Date

Name of Witness

Address of Witness

ACT SOLAR POWER FACILITY PROJECT

EXPRESSION OF INTEREST

Schedule CP2 – Financial Details

Page 1 of 2

The Respondent is required to submit:

- i) One copy of the two most recently audited financial statements (or other equivalent financial information) for each Key Entity, containing the last three years' financial statements. Where a parent company guarantee, undertaking, indemnity or other credit support is intended to be provided, annual reports for the parent company should be submitted, provided a letter from the parent company is included confirming its intended support; and
- ii) Full company structures showing owners, directors, silent partners, major stakeholders and shareholders.

These documents should be provided as an attachment to the EOI.

If any substantial inter-group or inter-group company loans exist, the information required by this Schedule CP2 should also be provided for the companies to which those loans have been provided or from which they have been obtained.

Other Financiers

Are there any other financial institutions, which may have an interest in the Respondent's business activities?

Yes	No
------------	-----------

If 'Yes' attach details.

Schedule CP2 – Company Structure

Page 2 of 2

This is Schedule 'CP2' referred to in the Call for EOI dated the xxth day of [month] 2009.

Applicant

Signed

ACT Solar Power Facility Industry Consultation Session

9:00am – 11:00am
Tuesday, 3 March 2009

Exhibition Room
ACT Legislative Assembly Building
Civic Square, London Circuit
Canberra ACT 2600

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1 ACT Solar Power Facility Project Background

1.1 The Challenge of Climate Change

The ACT Government recognises the urgent challenges posed by climate change and is committed to leading the ACT's response to this issue.

The Government's climate change strategy, [Weathering the Change](#), targets a reduction in greenhouse gas emissions for the ACT of 60 percent of 2000 levels by 2050 (see Section 2.1 of this document), and sets out the initiatives and future directions to achieve this target.

The ACT Government understands that climate change can only be addressed in co-operation with other governments, businesses, communities and individuals, and by pursuing a broad range of initiatives to achieve greenhouse gas abatement and adaptation to the impacts of climate change. The Government recognises that renewable energy sources form an important component of any strategy to reduce greenhouse gas emissions.

1.2 Government Commitment

Based on an ACT solar power facility [Feasibility Study](#) (see Section 1.3 below), on 3 September 2008, the ACT Government announced its intention to market test an ACT solar power facility. On 17 October 2008, the [ACT Government made a commitment to provide \\$30 million](#) towards the construction of a solar power plant capable of powering at least 10,000 Canberra homes.

An ACT solar power facility has also been identified in the ACT's bid to Infrastructure Australia as an initiative which may warrant consideration for Commonwealth funding/partnership under the \$20 billion Building Australia Fund.

1.3 ACT Solar Power Facility Feasibility Study

As [announced on 18 March 2008](#), the ACT Government and ActewAGL equally funded a [Feasibility Study](#) into a large-scale solar power facility in the ACT (see Section 1.3.2 below for disclosure of ActewAGL involvement).

As identified in Section 1.3 of the Feasibility Study, the Study examined solar electricity generation technologies, undertook a brief analysis of those technologies that could reasonably be considered suitable for commercial power generation in the ACT, and identified a preferred technology for further evaluation. The review and selection of a preferred technology included:

- an assessment of the technology;
- consideration of the status of the technology and commercial experience;
- consideration of the solar resource in the ACT;
- costs; and
- risks.

The Study, which was undertaken by Parsons Brinckerhoff and publically released on the ACT Chief Minister's Department website on 3 September 2008, determined that an ACT solar power facility would be a feasible development, based on preliminary studies.

1.3.1 ActewAGL

“ActewAGL” refers to the venture established in October 2000 between the Australian Gas Light Company (AGL), a major private sector group, and ACTEW Corporation, a Territory-owned corporation¹. ActewAGL provides a full range of essential services - electricity, natural gas, water, waste water and internet connection - to a large range of customers in Canberra, ACT.

1.3.2 Disclosure of ActewAGL Involvement

ActewAGL engaged Parsons Brinckerhoff to undertake the Feasibility Study.

The Territory contributed funding towards this Study, being \$54,000AUD (GST exclusive). In return for this funding, the Territory provided input into the Study’s terms of reference (see Section 1.3 above), provided comment on the draft Study, and received a copy of the report for ACT Government to publish and consider.

Neither ActewAGL nor Parsons Brinckerhoff has been: involved in the ACT solar power facility initiative since the public release of the Study on 3 September 2008; or privy to any ACT Government deliberations in respect to this project and the proposed procurement process.

The procurement process (see Section 4 below), is anticipated to be a two-stage process. The process does not preclude ActewAGL (or ACTEW Corporation or AGL) from responding to the first stage of the process. As with all respondents to the first stage of the process, ActewAGL will only be eligible to participate in the second stage if the independent evaluation team assesses its Expression of Interest as suitable to proceed to the second stage.

¹ as defined and governed by the *Territory-owned Corporations Act (1990)*.

2 ACT Government Policy Objectives

2.1 Reducing the ACT's Greenhouse Gas Emissions

The ACT's climate change strategy, [Weathering the Change](#), targets a reduction in the ACT's greenhouse gas emissions of 60 percent of 2000 levels by 2050, to approximately 2.39 million tonnes of carbon dioxide (CO₂)-equivalents per annum. These targets are consistent with those announced by the Australian Government.

As an interim target, [Weathering the Change](#) also aims to limit 2025 greenhouse gas emissions to 2000 levels, being approximately 3.98 million tonnes of carbon dioxide (CO₂)-equivalents per annum.

Table 1: Past assessed and future targeted ACT greenhouse gas emissions

Year	1990	1997	1999	2000	2007	2025*	2050*
Kilotonnes of carbon dioxide equivalents	3,557	3,846	3,885	3,980	4,448	3,980	2,388

*approximate targeted greenhouse gas emission levels, based on current ACT emissions measurement standards and methodology.

It is expected that an ACT solar power facility would aid in meeting such greenhouse gas emission reduction targets. Assuming a 1 tonne per Megawatt hour emission reduction coefficient, a solar power facility capable of powering 10,000 homes could displace approximately 80,000 tonnes of greenhouse gas emissions per annum, which represents about a 3 percent reduction in the ACT's 2000 emission levels.

2.2 Promoting Increased Use of Renewable Energy Sources

The ACT Government has also committed to promoting increased use of renewable energy sources, with a renewable energy target of 10 percent of end use consumption by 2010. It is expected that an ACT solar power facility would help foster the renewable energy sector in the ACT, and would contribute to meeting the ACT's renewable energy target.

2.3 Securing Sustainable Economic Development in the ACT

Additionally, it is envisaged that an ACT solar power facility would help to secure sustainable economic development in the ACT. This initiative supports the following elements of the Government's economic plan, [Capital Development](#):

- the underlying commitment to sustainable economic development;
- the strategic theme of encouraging innovation; and
- the strategic theme of building infrastructure for the future.

Economic benefits of a large scale solar power facility in the ACT will include:

- diversification of the Territory's economic base;
- an increase in the security of the ACT's power supply;
- creation of "green jobs" for the ACT, and broader stimulation of a "green economy";

- opportunities for collaboration between the private sector, governments and local research institutions such as ANU and CSIRO; and
- the potential formation of a renewable energy industry and expertise in the ACT.

3 Project Scope

To address the Government's objectives, as identified in Section 2 of this document, the Territory is seeking to test the market for development of an ACT solar power facility.

This project is intended to lead to the development and construction of an ACT solar power facility with a minimum capacity of 80,000 Megawatt hours per annum, capable of powering at least 10,000 houses in Canberra, ACT. The facility will adhere to national and Territory policy and guidelines on emissions reduction targets (as identified in Section 2.1 of this document) with the view of the ACT leading the way for the rest of Australia.

Specifically, the ACT solar power facility would:

- employ commercially proven solar technology which directly uses energy from the Sun;
- be capable of providing power to at least 10,000 ACT homes, estimated to require approximately 80,000 Megawatt hours per annum;
 - reduce the ACT's greenhouse emissions by approximately 1 tonne of carbon dioxide equivalents per Megawatt hours - for example, in line with the 80,000 Megawatt hours per annum identified above, reduce the ACT's greenhouse emissions by 80,000 tonnes per annum; and
 - contribute to meeting the ACT's renewable energy target of 10 percent of end use consumption;
- be located within the ACT;
- be a commercially viable private sector operation over the medium-long term; and
- be neither directly owned, nor operated, by the ACT Government.

4 Envisaged Procurement Process

4.1 Two-stage procurement process

It is envisaged that the Territory will conduct a two-stage process to engage a company or consortium for the design and construction (and operation, depending on the proposed business model) of a solar power facility for the ACT.

The first stage will be a call for Expressions of Interest (Call for EOIs) and is aimed at short-listing suitable proponents. The second stage, contingent on Government agreement to proceed with this project, will be a detailed Request for Proposal (RFP) designed to gain final proposals from short-listed candidates and to select the preferred proponent, based on assessment against the evaluation criteria.

4.2 Timeframe

It is intended that the Call for EOIs will be released to market by late March 2009. The Territory will ask for responses by late May 2009, giving prospective respondents about eight (8) weeks to prepare their EOIs. It is envisaged that the short-listed EOI respondents will be contacted in July 2009.

Proposed key milestones for the ACT solar power facility market-testing procurement process are identified below. This timeline is indicative and may be subject to change based on feedback from industry.

Table 2: Indicative key milestones for the ACT solar power facility market-testing procurement process

Key Milestone		Indicative Timeline
Industry Consultation Session	Industry consultation session.	3 March 2009
	Closing date for industry feedback and questions.	12 March 2009
Stage 1 Call for Expressions of Interest (Call for EOIs)	Advertisement of Call for EOI.	28 March 2009
	Closing date for EOIs.	28 May 2009
	Evaluation of EOIs.	June 2009
Stage 2 Request for Proposals (RFP)	Distribution of RFP to shortlisted respondents.	July 2009
	Closing date for proposals.	September 2009
	Evaluation of proposals.	October 2009
Contract Negotiations	Finalisation of contract negotiations with preferred proponent.	late November 2009
	Engage preferred proponent.	January 2010

4.3 Envisaged Selection Process

EOIs will be assessed by an ACT Evaluation Team. The Evaluation Team may, as required, seek specialist advice from a range of experts to assist in consideration of aspects of the evaluation process. To date, PricewaterhouseCoopers has been engaged as the Territory's external adviser to assist in the first stage, EOI process.

A set of detailed criteria, against which respondents will be evaluated, is currently in development.

EOIs will be assessed against the evaluation criteria and information requirements, which will be specified in the Call for EOIs. The evaluation criteria will be framed against the project scope (identified in Section 3). As a guide, respondents to the Call for EOIs would be expected to:

- identify and justify the technology to be used in the solar power facility;
- present the results of established installations, pilot trials or other relevant research and development;
- demonstrate previous experience (supported by references) on similar projects undertaken;
- identify the scale of the solar power facility proposed;
- calculate the facility's estimated whole of life contribution to reducing ACT greenhouse gas emissions;
- clearly identify the proposed location of the facility;
- estimate the cost of designing and constructing the solar power facility as well as the level of indirect or direct Government subsidy, if any, that may be required;
- identify the environmental, economic and community benefits anticipated to accrue to the Territory;
- identify the risks associated with the solar power facility and provide an outline of the intended risk mitigation strategies to be employed;
- outline an indicative timeframe for construction;
- determine the preferred business model for the solar power facility; and
- demonstrate the company or consortia's capacity to deliver the project.

It is envisaged that this Industry Consultation Session will provide industry with the opportunity to identify areas for particular consideration, and to provide feedback on the proposed criteria and information requirements (as noted above).

The requirements of the RFP which is issued to short-listed respondents will outline additional evaluation criteria.

4.4 Contract

The form of contract, and other documentation that will ultimately be used to implement an ACT solar power facility, will largely depend upon the way in which the facility will be established and conducted. This is unlikely to be resolved until the second stage of the procurement is undertaken, at which time it is anticipated that short-listed respondents will be provided with an indication as to the possible options.

Accordingly, no draft contract will be presented in the Call for EOIs. However, it is possible to foreshadow that any contractual and associated documentation will likely reflect the ACT's sustainability, waste reduction, and greenhouse policies. The following policies and strategies are drawn to prospective respondents' attention:

- [*People, Place and Prosperity: A Policy for Sustainability in the ACT*](#) - outlines a set of principles that clarify the concept of sustainability. These principles include using resources prudently and taking all costs and benefits into account;
- [*No Waste by 2010*](#) - aims to improve markets for recyclable materials, encourages the purchase of recycled products and seeks to minimise the amount of waste sent to landfill; and
- *ACT Greenhouse Strategy, [*Weathering the Change*](#)* - seeks to reduce Greenhouse gas emissions resulting from government procurement.

5 Additional Information

5.1 Location

The solar power facility has been earmarked for physical location within the ACT, with the ACT Government identifying a number of potential land parcels for development and construction of the facility. It is intended that these sites will be discussed at the information session.

The Territory is also open to consideration of alternate ACT land sites identified by proponents in their proposals. Nonetheless, all potential sites would be subject to the provisions of the *Territory Plan* and the *ACT Planning and Development Act 2007* prior to development approval.

5.2 Government Support

The ACT Government has committed to providing \$30 million towards the proposed ACT solar power facility.

In addition, an ACT solar power facility has been identified in the ACT's bid to Infrastructure Australia as an initiative which may warrant consideration for Commonwealth funding/partnership under the \$20 billion Building Australia Fund.

Proponents may also wish to independently seek Commonwealth Government assistance via the Department of Resources, Energy and Tourism's [Energy Programs](#).

It is important to note that while the ACT Government has set aside subsidy funding for the project, potential proponents are encouraged to provide responses based on the perceived level and form of subsidy required to meet the ACT Government's aforementioned objectives and project scope.

6 Contact Officer

All queries in relation to the information contained within this document should be submitted to the contact officer.

The contact officer for the ACT Solar Power Facility Project will be Mr Dan Stewart from ACT Government. Contact details are as follows:

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7 Background Documents

The following links contain documents that may provide potential respondents with background information to best inform them of the projects status and the ACT Governments overarching commitment to the development of an ACT solar power facility.

1. Parsons Brinckerhoff Solar Power Facility Feasibility Study
http://www.cmd.act.gov.au/data/assets/pdf_file/0005/2939/Solar_Power_Plant_Pre-feasibility_study.pdf
2. ACT Government Climate Change Strategy, *Weathering the Change*
http://www.tams.act.gov.au/data/assets/pdf_file/0003/63624/Climate_Change_Strategy.pdf
3. Australian Government Department of Resources, Energy and Tourism Energy Programs
<http://www.ret.gov.au/energy/energy%20programs/Pages/EnergyPrograms.aspx>
4. Media:
 - a. ACT Government – ACT Solar Power Facility Industry Consultation Notification (14 February 2009)
<http://www.canberratimes.com.au/classifiedsimages/full/10984341.pdf>
 - b. Minister for Energy, ACT Government – ACT Solar Power Project moves ahead (6 December 2008)
<http://www.chiefminister.act.gov.au/media.php?v=7626>
 - c. ACT Labor – Making Canberra the Solar City (17 October 2008)
<http://www.actlabor.com.au/Documents/2008%20Campaign%20Media%20Releases/102%20Media%20Release%20-%20Stanhope%20-%2017%20October%202008.pdf>
 - d. Chief Minister, ACT Government – Government to go to market on solar power plant (3 September 2008)
<http://www.chiefminister.act.gov.au/media.php?v=7353>
 - e. Chief Minister, ACT Government – Consultant engaged for solar facility scoping (23 April 2008)
<http://www.chiefminister.act.gov.au/media.php?v=6698>
 - f. Chief Minister, ACT Government – Feasibility Study Into Solar Power Plant (18 March 2008)
<http://www.chiefminister.act.gov.au/media.php?v=6567>