

TENDER NO: DMRE/001/2022/23

**The Republic of South Africa
Department of Mineral Resources and Energy**

**REQUEST FOR QUALIFICATION AND PROPOSALS FOR NEW GENERATION
CAPACITY UNDER SIXTH BID SUBMISSION PHASE OF THE REIPP PROCUREMENT
PROGRAMME**

BRIEFING NOTE 1

07 June 2022



**mineral resources
& energy**

Department:
Mineral Resources and Energy
REPUBLIC OF SOUTH AFRICA

1. Introduction

- 1.1. This Briefing Note 1 is issued in terms of Clause 28 of Part A (*General Requirements, Rules and Provisions*) of the Department of Mineral Resources and Energy's *Request for Qualification and Proposals for New Generation Capacity under the Sixth Bid Submission Phase of the Renewable Energy Procurement Programme (REIPPPP Bid Window 6)* issued on 10 April 2022 (Tender no: DMRE/001/2022/23) (the "**RFP**") and is subject to all the terms and conditions contained therein.
- 1.2. Unless otherwise expressly stated, or the context otherwise requires, words and expressions defined in the REIPPPP Bid Window 6 RFP shall bear the same meaning in this Briefing Note as those ascribed to them in the REIPPPP Bid Window 6 RFP.

2. Purpose of the Briefing Note

- 2.1. The purpose of this Briefing Note is to :
- 2.1.1. answer queries and clarifications received from 26 April 2022 to 11 May 2022.
- 2.2. Attached to this Briefing Note 1 as **Annexure "A"** is the Query answer sheet.

3. Schedule of Briefing Notes

Briefing Note No.	Date	Details of Briefing Notes
1	07 June 2022	This Briefing Note deals with the Bidders' queries and clarifications received from <u>26 April 2022</u> to <u>11 May 2022</u>

SIXTH BID SUBMISSION PHASE OF THE RENEWABLE ENERGY IPP PROCUREMENT PROGRAMME

Queries and Clarifications

Annexure A

Briefing Note 1

No	Date Received	From	Institution	Category	RFP Reference	Query	Response
1.	26 April 2022	Confidential	Confidential	Economic Development	Volume 5: Appendix 5A and Appendix 5C	<p>It has been noted that within Volume 5: Appendix 5A and Appendix 5C, that the minimum threshold communicated for "600-SR-06 Supplier Development Contributions during the Operating Measurement Period" is 0.0%. However, within Part B – Qualification Criteria, under clause 2.7.6.14.5 (page 64), it is noted per the provided table, that the minimum threshold communicated for "600-SR-06 Supplier Development Contributions during the Operating Measurement Period" is 0.1%.</p> <p>Kindly confirm which minimum threshold to be used, for 600-SR-06?</p>	<p>The correct minimum threshold that should be used for 600-SR-06 Supplier Development Contributions during the Operating Measurement Period is 0.1%.</p> <p>The minimum threshold communicated in Volume 5: Appendix 5A and Appendix 5C will be amended accordingly.</p>
2.	27 April 2022	Rachel Fry	Acciona Energia	Legal	<p>Part A - General Requirements, Rules and Provisions</p> <p>Clause 9.7</p>	<p>Clause 9.7 of PART A of the RFP seems to indicate limitations on the compilation of the shareholding and subsequent advisors and suppliers that a Bidder would use one or more projects. Could the Department provide more clarity on this clause or separate the clause as the clause is open to different interpretations.</p>	<p>Clause 9.7 of Part A is intended to (i) recognise as was customarily the case, the ability of Members, Material Contractors, Suppliers, Advisors and Lenders to participate in more than 1 (one) Bid Response, but (ii) in the case of Members, to restrict such Members from participating in more than 1 (one) set of "sister bids" other than in the case of Members such as the Local Communities whose participation is tailored to fit with the geographic location of the Project.</p>
3.	27 April 2022	Rachel Fry	Acciona Energia	Economic Development	<p>Part B – Functional and Qualification Criteria Requirements</p> <p>Section 2.1</p>	<p>Section 2.1 of Part B requires the Bidder must provide a diagram setting out the structure adopted in respect of its Project, which diagram must detail and identify by name its proposed Members as equity participants, including all Black Enterprise Members and Local Community Members as well as confirmation in respect of each such Member as to the extent to which it is or will be owned by Citizens. Is it possible to submit a Bid without identifying who the Local Community is? If not, what level of detail is necessary to identify the Local Community?</p>	<p>Is it possible to submit a Bid without identifying who the Local Community is?</p> <p>A Bidder must comply with all Qualification Criteria in the RFP. The Bidder is referred to Clause 2.7.6.9 of Part B (<i>Qualification Criteria</i>) and to Clauses 4.3 and 4.4 of Volume 5 Part 2 (<i>Economic Development Proof of Compliance</i>) of Part B (<i>Qualification Criteria</i>) of the RFP</p> <p>If not, what level of detail is necessary to identify the Local Community?</p> <p>The Bidder is referred to clauses 4.3 and 4.4 of Volume 5 Part 2 (<i>Economic Development Proof of Compliance</i>) of Part B (<i>Qualification Criteria</i>) of the RFP</p>
4.	27 April 2022	Rachel Fry	Acciona Energia	Economic Development		<p>Is Local Community participation a requirement to the potential Bidder or Bidder Consortium?</p>	<p>A Bidder must comply with all Qualification Criteria in the RFP. The Bidder is referred to Clause 2.7.6.9 of Part B (<i>Qualification Criteria</i>) and to Clauses 4.3 and 4.4 of Volume 5 Part 2 (<i>Economic Development Proof of Compliance</i>) of Part B (<i>Qualification Criteria</i>) of the RFP</p>
5.	27 April 2022	Rachel Fry	Acciona Energia	Legal	Definitions	<p>The Bidder is defined as an entity or consortium that submits a Bid Response, which must be either a Project Company or a consortium of legal entities, all of whom shall become Shareholders in a Project Company. The Project Company is defined as the special purpose Company that a Bidder proposes using as the vehicle to undertake the Bidder's Project that is the subject matter of a Bid Response, and to be the Seller in terms of the PPA. There are many projects in which there is a Project Company already incorporated, however, at Bid Submission Date, the Project Company will be still owned by a third party developer that has granted certain rights to the consortium bidder to use the project and will sell the Project Company to the consortium bidder</p>	<p>It is the discretion of a Bidder as to how it seeks to submit a Bid Response and be evaluated for all of the requirements relating to a Bidder or as may relate to Members.</p> <p>Bidders must recognise that whatever selection is made by them to submit a Bid Response as the Project Company or Consortium will inform the outcome of the evaluation of the RFP requirements as may relate to the Bidder's selected entity or structure for submitting the Bid Response including in relation to the Members of the Bidder. The award of the selection of the Preferred Bidder will be made to the entity submitting the Bid Response.</p>

SIXTH BID SUBMISSION PHASE OF THE RENEWABLE ENERGY IPP PROCUREMENT PROGRAMME

No	Date Received	From	Institution	Category	RFP Reference	Query	Response
						once the consortium bidder is awarded Preferred Bidder status. Please, taking the abovementioned scenario into account, confirm whether or not submitting a Bid as a consortium bidder despite the existence of an incorporated Project Company at the Bid Submission Date is accordance with the RFP. Furthermore, in case of award, please, confirm who would be the awarded entity whether the consortium bidder or the Project Company.	
6.	27 April 2022	Rachel Fry	Acciona Energia	Legal	Section 2.2.1.3	Section 2.2.1.3 Where the Project Company has not been established as at the Bid Submission Date, the Bidder must provide an undertaking that the Project Company, once it has been established, will have the sole purpose, object and business of undertaking the Bidder's Project, including entering into and fulfilling the terms and conditions of the PPA, the Implementation Agreement, the Direct Agreement, the Independent Engineer Agreement and the Connection Agreements in respect of the Project, and that it will be a "ring fenced" company in terms of the Companies Act, with "(RF)" in its name. There are many projects in which there is a Project Company already incorporated, however, at Bid Submission Date, the Project Company will be still owned by a third party developer that has granted certain rights to the consortium bidder to use the project and will sell the Project Company to the consortium bidder once the consortium bidder is awarded Preferred Bidder status. Please confirm if in this scenario the Bidder must provide an undertaking or the Bidder should submit an undertaking from the Project Company itself.	The undertaking is expected from the entity submitting the Bid Response.
7.	27 April 2022	Rachel Fry	Acciona Energia	Legal	Part B – Functional and Qualification Criteria Requirements Section 2.3.2.2 and 2.4.3.4	In section 2.3.2.2 and 2.4.3.4 it is said that the Bidder must provide a statement confirming that the Legal Opinion was obtained from an Independent person meeting the criteria stipulated in clause 1.7 of this Part B (Functional and Qualification Criteria Requirements) of the RFP and that the Independent person provided relevant information to the satisfaction of the Bidder and in accordance with the brief by the Bidder; Please confirm what kind of document do you expect to receive in this regard?	The Department will issue a Briefing Note setting out the form in which the statement referred to in Clauses 2.3.2.2 and 2.4.3.4 of Part B (<i>Functional and Qualification Criteria Requirements</i>) of the RFP must be provided.
8.	27 April 2022	Rachel Fry	Acciona Energia	Land Legal and Environmental Legal	Legal Opinions	It is likely that some projects to be submitted in Round 6 were Bid Compliant in Round 5, please confirm if the Legal Opinions (Land Legal Opinion and Environmental Legal Opinion) these projects received in August 2021 for Round 5 are still valid or they would need to obtain a new legal opinion.	The Bidder needs to satisfy itself about the Legal Opinions being appropriate and compliant with the RFP Requirements. The Department cannot provide such confirmation in relation to the legal opinions outside the evaluation of a Bid Response.
9.	06 May 2022	Confidential	Confidential	Eskom / Technical	Part A - General Requirements, Rules and Provisions Clause 8.4. Page 29	We note that Commercial Close must be achieved within 6 months of the Preferred Bidder announcement under REIPPPP BW6, with Financial Close to be achieved 1 month thereafter. This is a relatively short time period, given the current delays in issuing Budget Quotes under the REIPPPP BW 5. Please advise if the delays in issuing the Budget Quotes under REIPPPP BW 5 has been factored into the REIPPPP BW6 timetable and will this have any further impact on the time table or Bid Submission requirements under REIPPPP BW6?	To the extent that there are delays due to Eskom Holdings SOC Limited, the timetable will be revised accordingly as has been the case with previous Bid Windows.
10.	06 May 2022	Confidential	Confidential	Legal - Scheduled Commercial Operation Date	Clause 8.4, page 39 of Part A - General Requirements, Rules and Provisions & Clause 2.6.3.5.3 of Part B - Functional and Qualification Criteria Requirements	Part A expressly states that the Scheduled Commercial Operation Date shall occur 24 months post Commercial Operation. Whereas clause 2.6.3.5.3 of Part B of the RFP provides that Scheduled Operation Date shall fall 36 months after Commercial Operation. Please clarify when Scheduled Commercial Operation Date shall take place and update the RFP accordingly.	Clause 8.3.8 of Part B (<i>Functional and Qualification Criteria Requirements</i>) of the RFP stipulate that Bidder's Scheduled Commercial Operation Date must be calculated taking into account the Project's own construction and commissioning timetable, as well as the time for grid connection as estimated by the Grid Provider, all of which must fall within 24 (twenty four) month period between Commercial Close and the Scheduled Commercial Operation Date.

SIXTH BID SUBMISSION PHASE OF THE RENEWABLE ENERGY IPP PROCUREMENT PROGRAMME

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							Clause 2.6.3.5.3 will be amended to replace 36 months with 24 months period, to ensure alignment with clause 8.3.8 and clause 8.4 of Part B of the RFP.
11.	06 May 2022	Confidential	Confidential	Eskom - Minimum/Maximum Contracted Capacity	Part A - General Requirements, Rules and Provisions Clause 8.2, page 35-36	Please advise whether a Bidder which has procured multiple separate cost estimate letters, in anticipation of bidding multiple lower MW capacity projects, may elect to bid 1 (one) single project with greater MW capacity using the multiple separate cost estimate letters as opposed to making application for 1 (one) new consolidated cost estimate letter?	A cost estimate letter (CEL) does not consider the effect of other CELs on the grid connection assessment. Hence though individual smaller capacity CELs may require no grid strengthening, 1 large capacity project may require a larger grid connection which may be a problem. If the contracted capacity of the project being bid is greater than the generation capacity in the CEL, a new CEL will be required that indicates that the grid can evacuate the generation capacity proposed.
12.	06 May 2022	Confidential	Confidential	Legal – Non-Eligible Persons	Part A - General Requirements, Rules and Provisions Clause 9.7, page 52	The BW 6 RFP introduces the concepts of "Participant" and "Affiliated Bid". Clause 9.7 now provides that "A person, Contractor, Member, Supplier, other participant in a Bid Response, Lender or Advisor may participate in, advise or be involved (either directly or indirectly) with more than 1 (one) Bidder at any stage during the REIPP Procurement Programme without the prior written consent of the Department, provided that in the case of a Member of the Bidder or consortium submitting a Bid Response ("Participant") such a Participant may only participate in 2 (two) or more Bidders in the case where such Bidders, that a Participant is participating in, are comprised substantially of the same entities or consortium members ("Affiliated Bids)". Please advise what "comprised substantially of the same entities or consortium members" would entail.	Clause 9.7 of Part A is intended to (i) recognise as was customarily the case, the ability of Members, Material Contractors, Suppliers, Advisors and Lenders to participate in more than 1 (one) Bid Response, but (ii) in the case of Members, to restrict them from participating in more than 1 (one) set of "sister bids" other than in the case of Members such as the Local Communities whose participation is tailored to fit with the geographic location of the Project.
13.	06 May 2022	Confidential	Confidential	Legal – Definitions Group Company	Volume 2 Part 3 Appendix M - Implementation Agreement Clause 1 Interpretation and Definitions	We refer to the definition of Group Company and note that it the definition is overly burdensome to the Bidder. It is not appropriate for the Seller to be at risk due to unrelated events regarding SPVs, and subsidiaries incorporated by the direct/indirect Shareholders and/or Controlling Companies for other projects in different jurisdictions. This has a far reaching implication on the Project which cannot be monitored by the Seller for the Term. Please could the following wording be deleted from the definition of Group Companies: "and any other person Controlled (directly or indirectly) by such first-mentioned person, including, where a person is a company, the ultimate holding company of such person, and any holding company of such person".	The requested amendment substantially undermines the intended curbing of Corrupt Practices, Anti-Bribery and Corruption, Sanctions and Sanctioned Transactions.
14.	06 May 2022	Confidential	Confidential	Financial	Volume 2 Part 3 Appendix M - Implementation Agreement Clause 14.4.3, page 38	We understand that the Bidder is required to notify the Department of administrative matters. We require clarity on what matters would be regarded as 'administrative matters' relating to Financing Agreements for purposes of complying with clause 14.4.3 of the Implementation Agreement. Please advise.	The wording that relates to "administrative matters" will be deleted in clause 14.4.3 of the Implementation Agreement as indicated below: notify the Department at least fourteen (14) days prior to any changes that relate to administrative matters to any of the Financing Agreements. The Department reserves the right to request more information in order to assess any risk associated with such changes. For the avoidance of doubt, this excludes refinancing which shall be governed by clause Error! Reference source not found. (Refinancing) of this Agreement.
15.	06 May 2022	Confidential	Confidential	Legal – Decommissioning Costs	Volume 2 Part 3 Appendix M - Implementation Agreement Clause 14.8, page 39	Clause 14.8 of Appendix M- Implementation Agreement provides the Seller the option to either establish a Rehabilitation Trust or Decommissioning Cost Bank Guarantee or both which contradicts clause 2.2.3.2. Legal Criterion 3: Provision for the Decommissioning Reserve of Part B of the RFP which requires that the Bidder either make use of a Rehabilitation Trust and Decommissioning Cost Bank Guarantee or only a fully funded Rehabilitation Trust. Please advise which position applies to this BW 6 REIPP and update the RFP accordingly.	The Department will issue a Briefing Note to clarify the position applicable to this Bid Submission Phase.

SIXTH BID SUBMISSION PHASE OF THE RENEWABLE ENERGY IPP PROCUREMENT PROGRAMME

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16.	06 May 2022	Confidential	Confidential	Technical - Forecasting	Volume 2 - Appendix K2 Onshore Wind PPA Schedule 1 part 3, Clause 4.2, page 128	Please explain why there is an "h" in the denominator of the FVR formula. Since the formula is applied to every hour it seems unnecessary to include a 1 every time in the denominator since this will not impact the calculations. Please can the Department confirm there is no specific reason/nuance for including this and why this can't be removed?	The intent is to provide clarity in converting Contracted Capacity in MW to MWh. It is agreed that h will be 1 and will not impact the calculation. As above AEO, FEO and AS are all MWh values, it is for mathematical accuracy.
17.	06 May 2022	Confidential	Confidential	Technical – Ancillary services	Volume 2 - Appendix K2 Onshore Wind PPA Schedule 1 part 3, Clause 4.6, page 131	Is APOc and APOc+1 the average power over each 4 second cycle or power measured instantaneously at each 4s?	Measured instantaneously.
18.	06 May 2022	Confidential	Confidential	Technical – Ancillary services	Volume 2 - Appendix K2 Onshore Wind PPA Schedule 1 part 3, Clause 4.6, page 131 and footnote 8 on page 131.	If APOc+1 is actual power for next 4s cycle and this is higher than APOc (actual power from the current cycle), the generation of the plant will be increasing and thus RRE will be positive. This contradicts footnote 8 on page 131. Please clarify this position?	This footnote should have been removed, when clause 4.5 calculation was changed to “- “ RRE. This will be updated in the RFP.
19.	06 May 2022	Confidential	Confidential	Technical – Ancillary services	Volume 2 - Appendix K2 Onshore Wind PPA Schedule 1 part 3, Clause 4.6, page 131	It's not clear how RRE represents the total energy delivered for Regulating Reserve. For each 4s cycle, APPOc+1 - APOc will equal the difference between the current and subsequent 4s cycle but will not include the energy below the current cycle. Meaning for the first cycle in the period providing Regulating reserve, the formula will capture all the energy delivered for Regulating Reserve, but for all the subsequent cycles it won't. For example, if the current plant output is 50MW and the first AGC signal requests +1MW, RRE will formula will be 51-50 = 1. Then if the next AGC signal again requests +1MW, for that cycle RRE formula will be 52-51 = 1. But to calculate the energy provided in that cycle for Regulating reserve it should be 52-50 = 2. Please clarify whether the formula should not be adjusted to be the summation of (APOc+1 - APOc=0)/900	The formula is summing the RRE difference between each cycle as compared to the previous cycle. This summation of the 900 cycles is the divided by 900. Multiplying my 4/3600 is exactly the same as dividing by 900.
20.	06 May 2022	Confidential	Confidential	Technical – Ancillary services and forecasting	Volume 2 - Appendix K2 Onshore Wind PPA Schedule 1 part 3, Clause 4.2, page 128	If a plant is scheduled for Ancillary Services, can you confirm the forecast to be provided for each hour includes the actual energy we expect to output for normal commercial energy as well as the capacity allocated for Ancillary Services? For example if the plant is forecasted to output 50MWh over an hour and is scheduled for Ancillary Services (for which there is 13%xCC allocation in the upwards direction), the forecast we provide should be 50MWh and not (50MWh-13%xCC)?	Correct – the forecast provided should be 50MWh i.e. the forecast must include the actual energy output expected for normal commercial energy as well as the capacity allocated for Ancillary Services.
21.	06 May 2022	Confidential	Confidential	Technical – Forecasting	Volume 2 - Appendix K2 Onshore Wind PPA Schedule 1 part 3, Schedule 4, page 149	For the Weekly Forecast generation Profile and the Daily Forecast Generation Profile, please specify in more detail what the "MWh" and "Available MW" should be populated with? Are these not the same value? If we can provide 50MW for 1 hour, that will be 50MWh of energy. Please advise if there is some nuance here?	This will likely be the same value.
22.	06 May 2022	Confidential	Confidential	Technical – Forecasting	Volume 2 - Appendix K2 Onshore Wind PPA Schedule 1 part 3, Clause 5.5.3.1, page 189	Declared Capacity under section 5.5.3.1 is not defined. Please provide a definition?	The declared capacity is the Capacity the Seller declares is available to the seller for Ancillary services
23.	06 May 2022	Confidential	Confidential	Technical – Ancillary services	Volume 2 – Appendix K2 Onshore Wind PPA Schedule 12, Clause 5.5.5, page 190	"Unused Ancillary Service Capacity" under 5.5.5 is not well defined and the clause is not clear. 1. For this sport of the clause "The Seller shall in the case of a Capacity that has not been scheduled by the System Operator to be delivered to the System..."	Point 1 - correct Point 2 – the clause is further explaining that the bidder would have normally curtailed the plant to allow for ancillary services, but if the Buyer does not schedule for these Ancillary Service to be dispatched it should then be dispatched and be paid through the energy payment.

SIXTH BID SUBMISSION PHASE OF THE RENEWABLE ENERGY IPP PROCUREMENT PROGRAMME

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						<p>Does it mean if a plant declares capacity available for Ancillary Services but is not in the end scheduled for AS, the plant should provide this energy as normal commercial energy?</p> <p>2. For this part of the clause: "...or in respect of a Capacity that would otherwise be produced under an Ancillary Service and which has not otherwise been made Available to the System or provided as Ancillary Services..."</p> <p>It is not clear what this means. Please clarify this position?</p>	<p>However, if the Buyer scheduled Ancillary Services and it is not used by the System Operator the Buyer will still compensate for the Ancillary Services under the Ancillary Service Payment as per Schedule 1 Part 3 Clause 5.1.</p>
24.	06 May 2022	Confidential	Confidential	Technical – Ancillary services	Volume 2 – Appendix K2 Onshore Wind PPA (Part 3, clause 4.5, page 130)	In the AS formula, please confirm RRC = 10% and RRI = 3%?	At a minimum RRC = 10% and IRC = 3%, the seller may choose to provide higher AS capacity. There is no RRI in the formulae.
25.	06 May 2022	Confidential	Confidential	Technical – Ancillary services	Volume 2 – Appendix K2 Onshore Wind PPA Schedule 12, general	Is Eskom (SO) or the Department responsible for changing the relevant power gradient modes when scheduled for Ancillary Services?	This is according to the Grid Code.
26.	06 May 2022	Confidential	Confidential	Technical – Ancillary services	Part A - General Requirements, Rules and Provision Section 8.2.3.3, PG 37	It is not clear under section 8.2.3.3 whether the System operator will require SCO, Blackstart and Emergency Reserve. The Department to confirm whether or not Black Start, Synchronous Condenser Operation, Emergency Reserve and Supplemental Reserve will form part of the Ancillary Services.	This is not required for BW6, only RR and IR
27.	06 May 2022	Confidential	Confidential	Economic Development - Designated Local Content	Volume 5 - Appendix 5E1 Item 1A	The Department to confirm whether the PV Modules shall be evaluated based on the value of lamination or the value of the total PV Modules including lamination	In terms of the list provide in Annex 5E1 (Local Industrialisation) the percentage value add requires that 18% of the value of the Solar Panel must be procured locally. The 18% can be made up of stringing, testing lamination, framing and logistical costs.
28.	10 May 2022	Confidential	Confidential	Legal	BEE Partner Clause 9.7 General Requirements Part A	If a Member participates in across different groups of Affiliated Bids or two or more Bidders who are not Affiliated Bids – can consent from the Department be requested for this prior to Bid Submission?	The Department inserted this rule in the procurement documents to protect the integrity of the procurement process, therefore the Department does not anticipate to grant the consent to this type of request.
29.	10 May 2022	Confidential	Confidential	Legal	BEE Partner Clause 9.7 General Requirements Part A	Is the restriction limited to the technology or can a Member participate in a solar PV consortium and a wind consortium of different members?	The restriction placed in Clause 9.7 is not limited to technology.
30.	10 May 2022	Confidential	Confidential	Legal	BEE Partner Clause 9.7 General Requirements Part A	Will the Department require proof of the exclusivity to be submitted as part of the Bid Response?	The RFP does not have a specific requirement for proof of exclusivity. However, Bidders attention is drawn to the Department's rights to request for additional information in relation to Bid Responses in Clause 36.1.1 of Part B (<i>Functional and Qualification Criteria Requirements</i>) of the RFP
31.	10 May 2022	Confidential	Confidential	Economic Development	Community Trust Clause 9.7 General Requirements Part A	Previously, each Bidder would establish a special purpose vehicle (SPV) for the Community Trust to be a shareholder in per Project – this SPV vehicle will need to be same vehicle for each Project, is this the intention of the Department to restrict the Community Trust to one community for all Bids submitted?	The Local Community participation can be an ownership vehicle that benefits one or more communities within the confines of the definition of Local Community as set out in the RFP. Refer to response in Item 5 above.
32.	10 May 2022	Confidential	Confidential	Financial	Financial Model Auditor Clause 2.5.5.4.1	It is a requirements of the RFP that the financial model auditor must be suitable qualified professional, independent of the bidder, model preparer and other contractors in the Project. Please clarify if the same organisation with different teams can provide the role of model preparer and the Model Auditor?	<p>The Financial Model Auditor must be independent from the Bidder and the preparer of the Financial Model.</p> <p>Where the Financial Model is prepared and audited by the same organisation, provided that the organisation is independent of the Bidder, the Financial Model auditor will be required to provide the Department with its policy to manage independence and conflict of interest that may arise from preparing and auditing the Financial Model and such policy should include the measures that will be put in place and applied to manage such conflict of interest, if applicable.</p>

SIXTH BID SUBMISSION PHASE OF THE RENEWABLE ENERGY IPP PROCUREMENT PROGRAMME

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33.	10 May 2022	Confidential	Confidential	Legal	Part A clause 9.7	<p>Please can the Department provide additional details regarding the test that it will use to determine whether Bidders are Affiliated Bids (i.e. what is meant by Bidders that are "comprised substantially of the same entities or consortium members").</p> <p>Specifically:</p> <ol style="list-style-type: none"> 1) does "substantially" mean that at least 50% or more of the number of Members are the same? 2) does "substantially" mean that at least 50% or more of the shareholding in the Bidder is held by the same Members? 3) is this a reference only to the specific entities that will be Members, or will it look to the shareholders behind the entities? 	<p>Clause 9.7 of Part A is intended to (i) recognise as was customarily the case, the ability of Members, Material Contractors, Suppliers, Advisors and Lenders to participate in more than 1 (one) Bid Response, but (ii) in the case of Members, to restrict them from participating in more than 1 (one) set of "sister bids" other than in the case of Members such as the Local Communities whose participation is tailored to fit with the geographic location of the Project.</p>
34.	10 May 2022	Confidential	Confidential	Legal	Part A clause 9.7	<p>Should a Participant wish to participate across different groups of Affiliated Bids or in 2 or more Bidders who are not Affiliated Bids, can the Departments written consent be obtained?</p> <p>If yes, please advise on the process that this written consent can be obtained through.</p>	<p>The Department inserted this rule in the procurement documents to protect the integrity of the procurement process, therefore the Department does not anticipate to grant the consent to this type of request.</p>
35.	10 May 2022	Confidential	Confidential	Legal	Part A clause 9.7	<p>Please advise whether the Department requires any specific proof or confirmation that this requirement has been complied with. If yes, please provide the required form of this proof or confirmation.</p>	<p>The RFP does not have a specific requirement for proof of exclusivity. However, Bidders attention is drawn to the Department's rights to request for additional information in relation to Bid Responses in Clause 36.1.1 of Part B (<i>Functional and Qualification Criteria Requirements</i>) of the RFP</p>
36.	10 May 2022	Confidential	Confidential	Legal	Part A clause 9.7	<p>Taking into account that the beneficiaries of Local Communities will be the same (even if they benefit through different entities), and often a single entity is used across bids to minimize costs and increase the value of benefit that flows through to the communities themselves, please confirm whether this restriction is intended to also apply to the Local Community vehicles.</p> <p>If yes, please advise how a Local Community should comply with this requirement.</p>	<p>Clause 9.7 of Part A is intended to (i) recognise as was customarily the case, the ability of Members, Material Contractors, Suppliers, Advisors and Lenders to participate in more than 1 (one) Bid Response, but (ii) in the case of Members, to restrict them from participating in more than 1 (one) set of "sister bids" other than in the case of Members such as the Local Communities whose participation is tailored to fit with the geographic location of the Project.</p>
37.	10 May 2022	Confidential	Confidential	Economic Development	Part B Clause 2.7.7.1	<p>This clause states that, based on the Contributor Status Level of the South African-based Shareholders, points will be awarded to the Bidder.</p> <p>It is unclear what points will be awarded to the Bidder as of the 100 points available to a Bidder, 90 points are allocated to Price and 10 points are allocated to the Economic Development Elements. Please advise what points are therefore available to the Bidder to be awarded based on the Contributor Status Level of the South African-based Shareholders.</p>	<p>The clause will be corrected by the deletion as indicated below:</p> <p>The Department recognises, by way of preference, South African entities that are committed to B-BBEE, and as such will consider the Contributor Status Level of the South African-based Shareholders. and award points to the Bidder based on such Contributor Status Level.</p> <p>The Contributor Status Level is a Qualification Criteria and must be met by the Bidder and failure to meet the qualification criteria will result in the Bid Response not being considered to be a Compliant Bid and in order to demonstrate compliance with this requirement, the B-BBEE qualification score in the B-BBEE Verification Certificate or affidavit are used to determine compliance with the Contributor Status Level requirement.</p>
38.	10 May 2022	Confidential	Confidential	Economic Development	Part B Clause 2.7.7.2	<p>We understand that the Contributor Status Level of the South African-based Shareholders will be attributed to be that of the Bidder, and the Bidder is not required to obtain its own Contributor Status Level.</p> <p>Is this correct?</p>	<p>Yes. Bidder must also submit a valid B-BBEE Verification Certificate in respect of the South African Based Shareholders (collectively) – Clause 3.1 of Volume 5 Part 2 (<i>Economic Development Proof of Compliance</i>) of Part B (<i>Functional and Qualification Criteria Requirements</i>) of the RFP</p>

SIXTH BID SUBMISSION PHASE OF THE RENEWABLE ENERGY IPP PROCUREMENT PROGRAMME

No	Date Received	From	Institution	Category	RFP Reference	Query	Response
39.	10 May 2022	Confidential	Confidential	Economic Development	Part B Clause 2.7.7.1 and Part B Clause 2.7.7.2	<p>We understand that the Bidder is required to have a Contributor Status Level of Level 4 or better, and that points will be awarded based on Contributor Status Level.</p> <p>Please advise what points will be available, whether the number of points awarded would increase based on the Contributor Status Level of the Bidder, and whether the actual BEE score (measured in points) of the Bidder (as opposed to the BEE level of the Bidder) would be considered.</p>	<p>The clause will be corrected by the deletion as indicated below:</p> <p>The Department recognises, by way of preference, South African entities that are committed to B-BBEE, and as such will consider the Contributor Status Level of the South African-based Shareholders. and award points to the Bidder based on such Contributor Status Level.</p> <p>The Contributor Status Level is a Qualification Criteria and must be met by the Bidder and failure to meet the qualification criteria will result in the Bid Response not being considered to be a Compliant Bid.</p> <p>The Contributor Status Level of the South African based Shareholders will be determined by the measured of the B-BBEE qualification score as indicated in the B-BBEE Verification Certificate or affidavit.</p> <p>To the extent that the Bidder has not provided the points of any South African based Shareholder and instead only provided the Contributor Status Level, then the recognised score for the South African based Shareholder would be measured as the entry level for the relevant band.</p>
40.	10 May 2022	Confidential	Confidential	Economic Development	Part A Clause 2.1.135 Part B Clause 2.7.7.3 Volume 5 Part 1 Clause 5.4.7.1.4	<p>We understand that the Local Community Vehicle would be considered a South African-based Shareholder, however these entities are not required to be established by Bid Submission Date.</p> <p>Is it intended that the Local Community would contribute towards this Contributor Status Level? If yes, what proof of Contributor Status Level is required to be submitted?</p>	<p>Bidder is referred to clause 2.3.3 of Volume 5 Part 2 (Economic Development Proof of Compliance) of Part B (<i>Functional and Qualification Criteria Requirements</i>) of the RFP.</p>
41.	10 May 2022	Confidential	Confidential	Economic Development	Part B Clause 2.7.4 and Part B Clause 2.7.7.2	<p>Please confirm that the pass threshold for criterion 3 (Contributor Status Level) is that each South African Based Shareholder must have a Contributor Status Level of four or better?</p>	<p>Refer to Clause 3.1 of Volume 5 Part 2 (Economic Development Proof of Compliance) of Part B (<i>Functional and Qualification Criteria Requirements</i>) of the RFP</p>
42.	10 May 2022	Confidential	Confidential	Economic Development	Volume 5 Part 2 Clause 3	<p>Please advise whether the South African Based Shareholders would be required to be verified for B-B-BBEE purposes as a collective (i.e. as a consortium) and to submit a collective B-BBEE Verification Certificate?</p>	<p>Refer to Clause 3.1 of Volume 5 Part 2 (Economic Development Proof of Compliance) of Part B (<i>Functional and Qualification Criteria Requirements</i>) of the RFP</p>
43.	10 May 2022	Confidential	Confidential	Legal	Part B Clause 2.2.1	<p>Clause 2.1.1 of Part B (Functional and Qualification Criteria) provides that the Project structure diagram must evidence the Proposed Supplier / Contractors (even if such Suppliers / Contractors will not supply services directly to the Project Company). To the extent applicable, please confirm that it is only required to show one level of indirect supply to the Project Company by the Supplier(s) / Contractor(s) – in other words, please confirm that it is only necessary for the structure diagram to show prospective suppliers and/or contractors who provide services indirectly to the Project Company by way of one intermediary or should the ultimate supplier / contractor be shown?</p>	<p>Bidders are for purposes of Clause 2.1.1 of Part B (<i>Functional and Qualification Criteria Requirements</i>) of the RFP required to indicate the proposed Suppliers (even if such Suppliers will not supply services directly to the Project Company) and the proposed Contractors (even if Contractors will not supply services directly to the Project Company).</p>
44.	10 May 2022	Confidential	Confidential	Legal	Key Equipment definition in Solar PV PPA Paragraph (a) in Appendix K1 Solar PV PPA	<p>Paragraph (a) of the definition of Key Equipment in Appendix K1 Solar PV PPA is not complete.</p> <p>Please provide the list of equipment specific to Solar PV which is to be inserted into paragraph (a).</p>	<p>The definition of Key Equipment will be amended in the Appendix K1 Solar PV PPA as follow: "Key Equipment" means the equipment identified in more detail in Schedule 1 (Details of the Project and Facility) being one or a combination of the following as applicable:</p> <p>(a) Solar Panel; (b) Inverters;</p>

SIXTH BID SUBMISSION PHASE OF THE RENEWABLE ENERGY IPP PROCUREMENT PROGRAMME

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							(c) Mounting structures; (d) Power plant controller/management system; (e) High voltage and medium voltage transformers; (f) High and medium voltage switchgear; or (g) Cables and/or overhead lines
45.	11 May 2022	Confidential	Confidential	Economic Development	Volume 5, Part 1	Regarding the seeking of approval for exemption, may the department supply the contact details of the Project Officer and stipulate the final date for exemption approval.	All communication to the Project Officer must be directed through the communication procedure set out in Part A of the RFP.
46.	11 May 2022	Confidential	Confidential	Economic Development	Part C Evaluation Criteria	It is also stated in Volume 5, Part 1 Clause 5.2.3 For Economic Development Sub-Elements with minimum thresholds, which thresholds are stipulated, where applicable, in Appendix 5C (Economic Development Qualification Scorecard), no points will be awarded for commitments made up to or at the threshold level. However, Vol 5, Part 1, Clause 5.1.1 states that in order for a Bidder to be considered a Compliant Bidder in relation to Economic Development, it is required to meet or exceed the requirements in relation to South African Entity Participation, and the minimum thresholds of the respective Economic Development Elements. Can the department please clarify that should a bidder meet the Thresholds, it will result in a zero score for that specific sub-element.	For the purposes of a Bid being a Compliant Bid the Bidders are required to meet at least the Minimum Qualification Criteria set out in Part B (<i>Functional and Qualification Criteria Requirements</i>) of the RFP. The Commitments made by Bidders in Annex 5 to Volume 5 of the RFP are made to demonstrate compliance by Bidders for the purposes of Part B of the RFP. In the Part C (<i>Evaluation Criteria Requirements</i>) evaluation Bidders are scored in respect of their commitments made in Annex 5 to Volume 5. If a Bidder makes a commitment up to or at the Threshold the Bidder will score 0 for that element in the Part C evaluation.