

Qualified Respondent: PSEG Puerto Rico

Reviewer: _____

Component Weight	Bid Component	Description	Score
50%	Financial and Operational		41.3%
45%	Technical		36.1%
5%	Presentation of Proposal to Partnership Committee		3%
TOTAL			80.4%

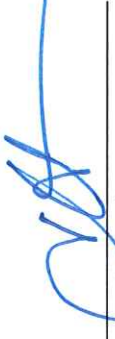
José F. Ortiz Vázquez
Chief Executive Officer
January 9, 2020

Note: This evaluation was made using T&D Definitive Proposal Scoring – Operational and Financial Assessment, dated January 2020 from FTI Consulting.



Qualified Respondent: _____ PSEG Puerto Rico ("PSEG PR")

Initial Reviewer: _____


José F. Ortiz Vázquez
Chief Executive Officer
January 9, 2020

Component Weight	Bid Component	Scoring Metric	Weight	Description	Score
5%	1.4. Approach to O&M Services	1. Detailed description of all services.	25%		3
		2. Experience of management team.	25%		2
		3. Federal funding experience and plan.	25%		3
		4. Corporate culture.	5%		4
		5. Consortia members.	5%		4
		6. Organizational structure of ManagementCo and ServCo.	10%		4

		7 & 8. Commitment to social welfare of people of PR, use of local resources, approach to include PR entities.	5%		4
Summary for Section 1.4			100%		3 (3.8%)
25%	1.5. Front End Transition Plan	1. General and Transition Management.	10%		3
		2. T&D Services Milestones.	15%		3
		3. System Remediation Plan Milestones.	15%		3
		4. Customer Service Milestones.	10%		4
		5. Information Technology ("IT") / Operation Technology ("OT") Systems Milestones.	10%		3
		6. Financial Management Milestones.	5%		4

		7. FEMA Funds and Federal Funding Procurement Manual Milestones.	10%		4
		8. Staffing for Front-End Transition Period.	10%		3
		9. Additional Front-End Transition Period Milestones.	10%		3
		10. Asset Acquisition.	2.5%		3
		11. Back-End Transition Plan.	2.5%		4
Summary for Section 1.5			100%		3.3
					(20.5%)
10%	1.6. Operator Recruitment	1. General.	40%		3

	and Staffing Plan	2. Recruitment and Staffing Plan.	35%		4
		3. Training Plan.	25%		2
Summary for Section 1.6			100%		3.18 (1.88)
5%	1.7. Approach to Performance Metrics	1. Views on Indicative Performance Metrics (Annex IX).	10%		3
		2. Key personnel to prepare revised Annex IX during FETP.	10%		4
		3. Approach to suggesting alternative Performance Metrics during FETP.	10%		4
		4. Timeline and milestones for finalization of Performance Metrics, including coordination with PREB.	10%		3

5

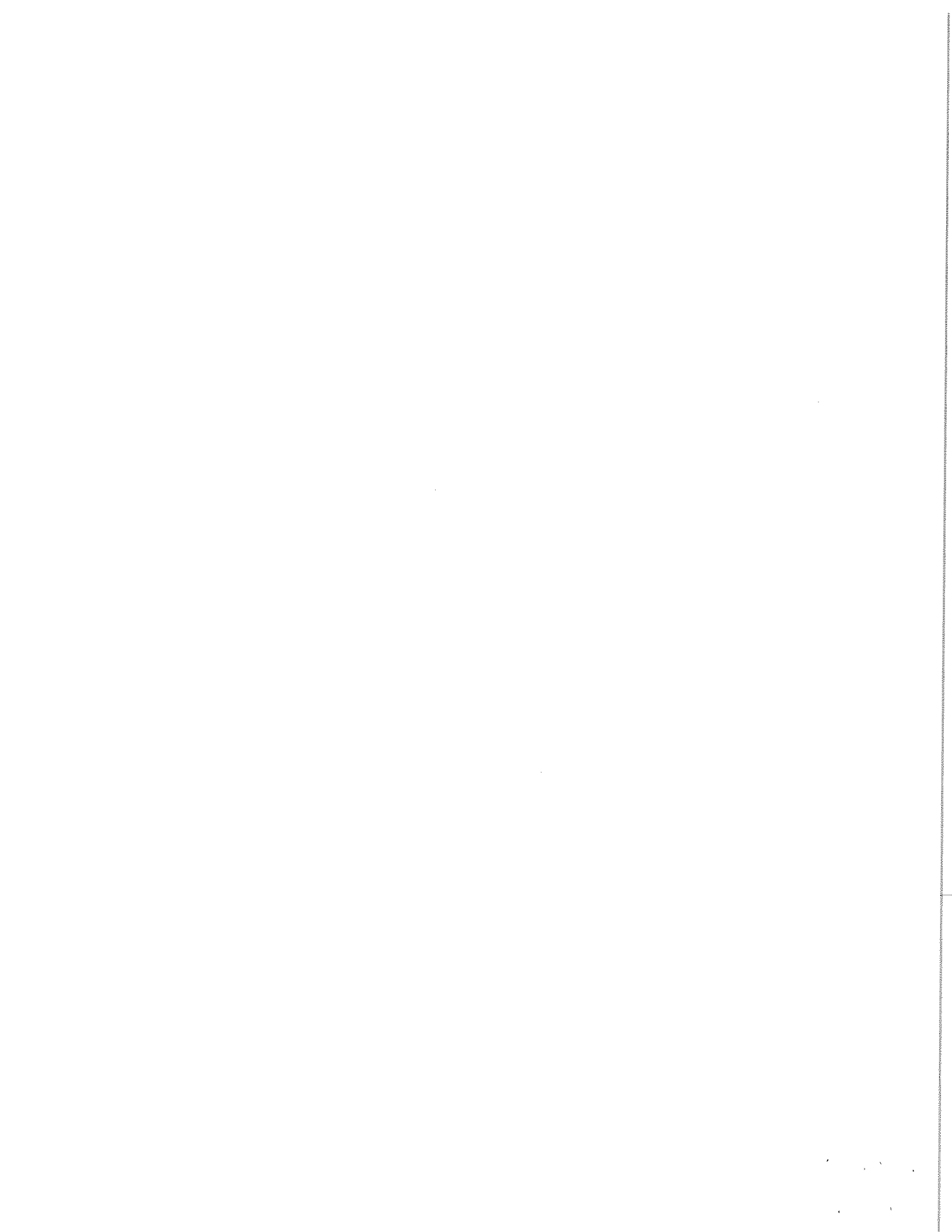
Total for Section 1.7	100%		3.2 (4%)
45%	Total Score (out of 45%)		



Qualified Respondent: _____ PSEG Puerto Rico

Reviewer: _____

Component Weight	Bid Component	Description	Score
5%	Presentation of Proposal to Partnership Committee		39%



Financial Evaluation (50% Total Weighting)



Component	Commentary	PSEG Puerto Rico			Luma Energy		
		% Weight	Values	Score	Values	Score	
Front-End Transition Fee	Proponent-estimated cost of labor and expenses incurred during Front-End Transition	2.5	\$45mm	2.5	\$76mm		
NPV of Total Service Fee (Mobilization, Fixed & Incentive)	- Based on Proponent-provided 15-year fee schedule - Luma fee includes the \$60mm Mobilization Fee plus assumed 2% inflation in order to put fee schedule into nominal dollar terms for comparison purposes - Fixed Fee discounted at 6% and Incentive Fee discounted at 10%	30	\$1,381mm	30	\$60mm \$1,456mm \$1,516mm		
Termination Fee – Operator / (Owner)	- Higher Operator Termination Fee results in higher fee payable to Operator in certain cases of termination (lower is more favorable) - Higher Owner Termination Fee results in higher proceeds to Owner in certain cases of termination (higher is more favorable)	2.5	\$125mm / (\$0mm)	2.5	\$104 – 158mm / (\$20mm declining to \$13mm)		
Net Operator Liability							
- Operator Damage Cap - Operator Liability to Owner (aggregate) - Parent Guarantee - Delay Liquidated Damages (aggregate) - Gross Negligence Cap	- Represents amounts of liability / risk Operator willing to absorb - Higher amounts more favorable to Puerto Rico	0 5.0 2.5 2.5 2.5	\$15mm \$50mm \$30mm \$3mm	0 2.3 0.7 0.2 0.7	\$10mm \$110mm \$110mm \$40mm		
Back-End Transition Fee	Proponent-estimated cost of labor and expenses incurred during Back-End Transition	2.5	\$3mm	2.5	\$6mm		
Total		50%		41.3%			

Source: Qualified Respondent Definitive Proposals and subsequent clarification letters.

