

Puerto Rico Electric Power Transmission and Distribution System P3 Project

Puerto Rico Electric Power Transmission and Distribution System
P3 RFQ Evaluation Worksheet

Respondent: Quanta Services, Inc., ATCO Ltd., and IEM Inc.

Overall Rating: 95.3%

Narrative: _____

Evaluation Scores

Excellent (9-10 pts): The Respondent has provided information relative to its qualifications which indicates a consistently outstanding level of quality. No weaknesses are identified.

Good (7-8 pts): The Respondent has presented information relative to its qualifications which is considered to meet the stated requirements. Minor weaknesses (if any) are identified and no correction is necessary.

Adequate (5-6 pts): The Respondent has presented information relative to its qualifications which is considered to meet the stated requirements. Minor weaknesses are identified and need to be corrected.

Deficient (3-4 pts): The Respondent has presented information relative to its qualifications which fails to fully meet the stated requirements. Major weaknesses are identified and need to be corrected.

Poor (0-2 pts): The Respondent has either presented information relative to its qualifications that contains significant weaknesses or the required information was not presented. Weaknesses are so major that a major revision to the SOQ would be necessary.

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1. Compliance with Requirements of PPP Act and Act 120

Compliance with Requirements of PPP Act and Act 120			
Responsible Firm: [PMA]			
Pass / Fail for Section: <u>Pass</u> .			
Pass means that Respondent complied with the requirements listed below.			
Requirements	Yes/No	Pass/Fail	Comments
Respondent provides statement it shall be properly registered, or capable of being properly registered, to do business in Puerto Rico at the time of execution of the PPP Contract	Yes	Pass	Each team member submitted form
Respondent provides statement it shall comply with all applicable Puerto Rico and U.S. laws and/or requirements	Yes	Pass	Each team member submitted form
Each Respondent and Team Member completes unmarked version of Form of Respondent Certification (Appendix A of the RFQ) or provides a certification equivalent to that in Section 3, Part 1, 1.2 of the RFQ.	Yes	Pass	Each team member submitted form
Respondent provides executed Document Acknowledgement and Contact Information letter from the Respondent (executed by the contact person ("Respondent Representative")) for all future communication between the Authority and the Respondent).	Yes	Pass	Quanta submitted form

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2. Background & Team Information

Background & Team Information		Responsible Firm: [Citi]	Pass / Fail	Comments
<p>Section Score (0-10): <u>9.8</u> % Weight 10%</p>				
Requirements	Yes / No	Pass / Fail	Comments	
Respondent shall provide a description of the Respondent and all Team Members that identifies:				
<ul style="list-style-type: none"> Anticipated roles, functions and overview of business operations Jurisdiction, form of entity organization, ownership structure and capitalization Currently and formerly owned or controlled electric utility operating companies Anticipated legal relationships (e.g. joint ventures, partnerships), and percentage of ownership interest Up to 5 individuals who will play an important role on behalf of the Respondent and Team Member(s) Instances in which the Respondent and Team Member(s) have worked together Evidence of carrying out major infrastructure projects Evidence and tenor of operations and management experience in electric T&D Experience administering FEMA and other federal disaster relief funding 	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>10</p> <p>10</p> <p>10</p> <p>10</p> <p>8</p> <p>10</p> <p>10</p> <p>10</p> <p>10</p> <p>10</p> <p>10</p> <p>10</p>	<p>Exceeded limit of 5 key individuals</p>	
Respondent may also provide resumes on specific Key Individuals.	Yes	10		

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Background & Team Information			
Responsible Firm: [Citi]			
Section Score (0-10): <u>9.8</u> % Weight 10%			
Requirements	Yes / No	Pass / Fail	Comments
Respondent shall also submit a list of all technical, financial, legal, accounting, or other advisors that the Respondent or a Team Member has engaged.	Yes	10	
Respondent or at least one Team Member must demonstrate that its current or previous electric utility operations and management fulfills the following criteria:	Yes	10	
<ul style="list-style-type: none"> At least 250,000 customers Electric utility T&D rate base of at least \$2bn At least 1,000 employees 			
15 pages maximum			

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3. Financial Capabilities

Financial Capabilities		
Responsible Firm: [Citi]		
Section Score (0-10): <u>9</u> % Weight 30%		
Requirements	Score	Comments
Respondent must demonstrate adequate financial wherewithal to fulfill the terms of the PPP Contract. Respondent or at least one Team Member must provide:		*Scores as per Citi's evaluation
<ul style="list-style-type: none"> Evidence of demonstrated track record of earned ROE approximating regulatory authorized ROE 	9	
<ul style="list-style-type: none"> Evidence of experience with formal regulatory proceedings or similar rate justifications 	9	
<ul style="list-style-type: none"> Credit ratings (if any) 	9	
<ul style="list-style-type: none"> Copies of audited financial statements, Form 10-Ks, or similar annual reports for the past 2 years 	9	
Each Respondent must provide specific evidence demonstrating their ability to raise financing		
<ul style="list-style-type: none"> Capability of raising significant quantities of debt and equity in the current capital markets 	9	
<ul style="list-style-type: none"> The number and size of past relevant transactions 	9	
<ul style="list-style-type: none"> Specific experiences on past relevant transactions 	9	
<ul style="list-style-type: none"> Respondent or at least one Team must provide evidence of at least 5 debt or equity raises, each of at least \$100mm in proceeds 	9	

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Financial Capabilities		
Responsible Firm: [Citi]		
Section Score (0-10): <u>9</u> % Weight 30%		
Requirements	Score	Comments
10 pages maximum		

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4. Technical & Operational Capabilities

Technical & Operational Capabilities		
Responsible Firm: [Citi]		
Section Score (0-10): <u>9.8</u> % Weight <u>50%</u>		
Requirements	Score	Comments
<p>Respondent must demonstrate its technical and operational capabilities to fulfill the terms of the PPP Contract. At least 1 Team Member must provide:</p> <ul style="list-style-type: none"> For the past 5 years, operational metrics (SAIDI, SAIFI, CAIDI), and OSHA recordable events must be within acceptable industry standards for mainland U.S. electric utilities Track record of sustained customer satisfaction Experience with at least 3 large scale T&D projects, each with total investment of at least \$50mm Certification of no significant or sustained environmental violations Sustained history of reasonable customer rates 		
	10	Operational metrics provided on pages 21-23. OSHA 300 form provided as an appendix.
	10	Data from Alberta Utilities Commission on customer satisfaction is provided on pages 25-27.
	10	Multiple large-scale T&D projects are presented on pages 27-33. Projects with total investment of \$1.6 billion, \$1.8 billion, \$703 million, among others are included.
	10	Statement regarding no significant or sustained environmental violations is included on page 33.
	8	Information on customer rates is included on pages 34-35. ATCO states that its average annual rate increase of 1.8% is

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Technical & Operational Capabilities		
Responsible Firm: [Citi]		
Section Score (0-10): <u>9.8</u> % Weight 50%		
Requirements	Score	Comments
Respondent and Team Member(s) should describe their degree of experience:		below the average for Canada and the US. Specific rates are not included.
<ul style="list-style-type: none"> Coordinating safe, reliable, and economic dispatch of electric utility systems, particularly those with significant reliance on renewable energy resources 	10	Information regarding dispatch of electric utility systems is included on pages 36-37. ATCO states that it has safely, reliably and economically dispatched electric utility systems across their transmission, distribution and generation divisions for decades. It also states that it has invested in renewable energy solutions for almost 25 years.
<ul style="list-style-type: none"> Negotiating and executing power supply agreements, including tolling, take-or-pay or similar types of power supply agreements 	10	ATCO states that it has a Commercial and Regulatory team that has negotiated, executed and managed approximately 100 commercial agreements. Details are provided on pages 37-38.
<ul style="list-style-type: none"> Operating electric utility T&D infrastructure on an island or other stranded location in both urban and rural settings and under challenging natural circumstances, such as mountainous regions and dense vegetation growth 	10	ATCO states that it has experience in engineering and operations and maintenance support for a project in the island of Newfoundland. It also states experience in other projects with challenging natural circumstances like mountainous terrain and swamps. Rural

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Technical & Operational Capabilities		
Responsible Firm: [Citi]		
Section Score (0-10): <u>9.8</u> % Weight 50%		
Requirements	Score	Comments
<ul style="list-style-type: none"> Operating electric utility T&D infrastructure in a natural disaster-prone region, and experience with post-event restoration and electrification 	10	<p>and urban setting experience is also listed (pages 38-40).</p> <p>Experience with post-events restoration and electrification is provided on pages 40-43. ATCO experienced wildfires in Fort McMurray (2016) and Slave Lake (2011), as well as flooding in central and southern Alberta (2013). It also provided support to Puerto Rico after Hurricane Maria. Quanta also provided support during Hurricanes Irma and Harvey (2017) and Sandy (2012).</p>
<ul style="list-style-type: none"> System planning taking into account long-term customer demand projections to be met with electric supply, which may include integrated resource planning 	10	<p>ATCO states that it develops: 10-year load forecasts for their distribution feeders and substations each year, 10-year electric utility plans for their urban centers and rural customers, numerous planning studies for load and generation addition projects. It also has experience studying and integrating renewable generation in isolated and distribution-connected systems (pages 43-47).</p>

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Technical & Operational Capabilities

Responsible Firm: [Citi]

Section Score (0-10): 9.8
% Weight 50%

Requirements	Score	Comments
<ul style="list-style-type: none"> Managing disaster recovery operations, federal disaster relief funding, and relationships with FEMA and other government entities 	10	Experience with disaster recovery operations is provided on pages 40-43. IEM states that disaster management has been its core business for over three decades. It has experience working with FEMA, HUD, the states of Louisiana, Mississippi, New York, Florida, Texas and Georgia in response to disaster recovery initiatives.
<ul style="list-style-type: none"> Operating electric utility T&D infrastructure that incorporates significant and expanding renewable project interconnection requests, generation capacity, distributed generation, advanced grid technology implementation, energy efficiency initiatives, energy storage, and microgrids (if any) 	10	ATCO states experience in advanced grid technology implementation and distributed generation facilities in Alberta. It also states that it has developed energy efficiency strategies to reduce overall energy consumption and has a system operation center responsible for operating the transmission and distribution system within ATCO's service territory. Experience with energy storage and microgrids is also listed (pages 50-57).
50 pages maximum	36 pages	

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5. Safety Performance

Safety Performance		
Responsible Firm: [Citi]		
Section Score (0-10): <u>9.5</u> % Weight 10%		
Requirements	Score	Comments
Respondent and Team Member(s) must demonstrate (a) their ability to address and resolve safety issues, and (b) their knowledge of safety strategies and methodologies.	10	Safety is the first consideration in everything the Consortium does. Beyond their commitment to providing a safe work environment for their people, they actively engage with municipalities, governments, first responders, and the communities they serve to promote the importance of energy safety. Quanta, ATCO, and IEM's first priority is always safety.
Respondent and Team Member(s) must submit copies of the Occupational Safety and Health Administration 300 forms for the past 3 years, only as related to electric utility operations. If not applicable, Respondent and Team Member(s) must present a document explaining the reasons for not submitting the form.	9	Quanta has provided Health and safety manuals, as well as OSHA 300 Logs (the digital copy does not provide OSHA 300s Forms) and WCB statistics have been provided under separate cover. Canada's regulatory framework does not use OSHA 300 forms; instead Canadian provincial and territorial Workers' Compensation Boards individually administer compensable injury requirements. As most of ATCO's service territory lies within Alberta, ATCO Electricity Transmission and Distribution employer synopses for Alberta for 2013 – 2018 YTD are included.

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6. SOQ Requirements and Procedures

SOQ Requirements			
Responsible Firm: [Citi]			
Pass / Fail for Section: <u>Pass</u>			
A Pass means that Respondent complied with all of the requirements below.			
Requirements	Yes/No	Pass/Fail	Comments
Respondents shall comply with the SOQ format requirements:			
• SOQ must be prepared in English	Yes	Pass	SOQ was provided in English
• Cover page (to include identification of all management Team Members)	Yes	Pass	Included
• Cover Letter (two pages maximum)	Yes	Pass	Included
• Table of Contents	Yes	Pass	Included
• Executive Summary (two pages maximum)	Yes	Pass	Included
Respondent must submit one originally executed SOQ with signatures in blue ink and marked as "Original", and four copies along with one copy in portable document format (PDF) on a CD or USB flash drive.	Yes	Pass	
A physical copy of the original SOQ must be delivered no later than the Submission Deadline, December 5, 2018 at 5:00pm AST.	Yes	Pass	
Each Respondent must declare, and agree to be under an obligation to declare, that it does not have knowledge of or the ability to avail itself of confidential information of the Government, PREPA or the Authority relevant to the Project, except to the extent it has been expressly authorized by the Government, PREPA, or the Authority	Yes	Pass	On Exhibit 1, Quanta Services further certify that Respondent shall not, other than as permitted in the RFQ, attempt to communicate in relation to the RFQ, directly or indirectly, with any representative of the Authority,

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SOQ Requirements			
Responsible Firm: [Citi]			
Pass / Fail for Section: <u>Pass</u>			
A Pass means that Respondent complied with all of the requirements below.			
Requirements	Yes/No	Pass/Fail	Comments
			PREPA, the PPP Committee, AAFAF, the Energy Bureau, the Government, the FOMB or any public agency of Puerto Rico.