DEPARTMENT OF FINANCE
PROCUREMENT SERVICES
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ADDENDUM # 1

For RFP # PEIEC-5172

TO: **All Bidders**

FROM: **Procurement Services**

DATE: **10 January 2019**

SUBJECT: **Clarification of Questions regarding RFP#5172**

1. What is the tolerance for over- or under-building relative to 30MW? i.e. is a project nameplate of 31.5MW acceptable (due to the nameplate of the proposed WTG), or is there a strict 30MW nameplate limit for the facility?

   The 30-MW capacity is nominal so there is tolerance for slightly over or underbuilding the 30 MW. The LCOE and NPV evaluation will be applied to the number of turbines that most closely achieves 30 MW.

2. I don't see any mention of constraints on WTG tip height in the RFP document. Can you please confirm that there are no known restrictions on upper or lower tip height, or any other constraints (noise, etc.)? I understand from the RFP that availability of WTG locations is one potential constraint depending on the final site and that PEIEC anticipates a 3MW+ turbine.

   Assume there is no constraint on WTG height but bear in mind the limited availability of equipment in the region to install equipment at high heights. Taller turbines will be more expensive to install which will increase project capital cost and while yields will increase tall towers eventually reduce financial returns. Noise constraints will be considered during the modelling exercise and turbines with very high noise levels will compromise the wind plant layout. In general, project noise levels will target the prescribed noise levels in Ontario.

3. Section C.7.1: Proponents are asked to 'Provide the Annual Energy Production (AEP) of proposed turbine on a site with an annual average wind speed of 8 m/s at 80 meters above ground level with a Rayleigh wind distribution.'

Our provided AEP figure would be a gross AEP number, not inclusive of any wake losses or other losses (electrical, environmental, etc.). Once a site is selected and layout developed, a net AEP figure inclusive of losses could be modelled. Is this approach in line with PEIEC's expectations?

That is our expectation as well.

4. Section C.10: Proponents are asked to provide pricing for a standard (2 year) and extended (5, 10, 20 year) warranty terms with LDs on production.
Typically, our warranty (whether a standard 2 year or extended warranty) would cover parts only, with no associated energy-based availability guarantee or LDs, as [the OEM] may not be performing the O&M. We could provide contractual commitments on availability of parts under the warranty agreement.

   We anticipate that warranty terms will differ from one manufacturer to another. We will consider any variations on warranty offerings as part of the review process.

   By contrast, our full service O&M offerings (for all the service terms requested in the RFP) would include an energy-based availability guarantee and associated LDs.
Is this concept acceptable to PEIEC? Please advise with any feedback or concerns that you may have with this proposed approach.

   This concept is acceptable to PEIEC; pricing on full service O&M offering should be provided, if available.

END OF ADDENDUM.

Please return this sheet with your formal bid proposal.