REQUEST FOR QUALIFICATIONS

Master Developer, Manager and Operations Services for the PUERTO RICO OCEAN TECHNOLOGY COMPLEX
Yabucoa, Puerto Rico

Issued on July 7th, 2020
REQUEST FOR QUALIFICATIONS

Master Developer, Manager and Operations Services for the
PUERTO RICO OCEAN TECHNOLOGY COMPLEX
Yabucoa, Puerto Rico

Issued by the Department of Economic Development and Commerce
(“DDEC” for its Spanish acronym) and the
Puerto Rico Land Administration (PRLA)
Tuesday, July 7th, 2020

Respondent Registration Forms Due: Tuesday, July 28th, 2020 by 11:59 PM AST
Submit by e-mail to: protech@ddec.pr.gov

Optional Pre-Submittal Meeting
TBD
Additional information will be posted on website and
sent to interested Respondents via e-mail

Statement of Qualifications Deadline for Respondents:
Friday, August 28th, 2020 by 11:59 PM AST
Each RFQ Shall Be Submitted to:
protech@ddec.pr.gov

For more information, visit:
https://www.ddec.pr.gov/protech
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I. DEFINITIONS/ACRONYMS

For purposes of this Request for Qualifications (hereinafter, “RFQ”), the following terms shall be defined as indicated below, unless the context clearly indicates otherwise. The definitions should be applicable to both singular and plural forms:

▪ "Addendum" (singular) or "Addenda" (plural) refer to written or graphic documents issued by the DDEC before the Statement of Qualifications Due Date, which modifies or interprets this RFQ by means of additions, deletions, clarifications, corrections or as explained in such documents.

▪ “Announcement of Prequalified Respondents”, "Selection Notice" refers to the determination notice of this RFQ, to be issued by the DDEC's Evaluation Committee.

▪ "Authorized Representative" refers to the person authorized to bind the qualified "Respondent" (defined below) in matters related to this RFQ.

▪ "Data" refers to renewable energy data collection and protection under the project described in this RFQ. It is expected that the Respondent should be able to: (i) identify and store all event data with appropriate metadata (date/time, user, protocol), (ii) consider a dashboard as a presentation tool that provides immediate visibility into data at rest, data in use and (iii) maintain logs of data exchange activity with organizations for supply, implementation and maintenance of data. These requirements will be further described as part of the Phase 2: RFP Submission, which will be the next step in the process, as specified in Section V. Qualifications, G: Developer(s) Selection Timeline. Only Shortlisted Proponents will participate in Phase 2.

▪ "Developer", “Manager”, “Operations Services” for this RFQ purposes, these terms can be broadly defined as follows:

  (i) Developer – refers to the preferred master developer, or preferred developers that will be selected as a result of the RFQ and subsequently, the RFP process and will be responsible for designing, building, operating, maintaining, and financing the development described in this RFQ and referenced documents. The selected developer(s) will also be responsible for horizontal development, including utilities, roads, and other improvements deemed necessary for the project’s completion. Additional expectations for the selected developer(s) include: obtaining all requisite regulatory and governmental approvals to enable the development of the
property and comply with all applicable laws and regulations; coordinating the project's development; securing financing for construction of necessary buildings, land improvements and infrastructure and work with the communities surrounding the project's site in implementing the development, as it is important to the DDEC that these communities are regularly briefed by the selected Master Developer and are involved in the development of the Property.

(ii) Manager – refers to the coordination and administration of multiple tasks to achieve the project’s defined goals in all its phases: during conception, construction plans development and coordination, bidding and procurement process, project’s execution and daily administration. These activities include establishing the organization's strategy and coordinating the efforts of staff to accomplish these objectives by means of the available human, administrative, technological and operational resources.

(iii) Operations Services - refer to a comprehensive plan that establishes how the project will operate, including the analysis of alternatives and their life-cycle costs to accomplish defined goals and objectives, performance measures, projected workload, needed resources to obtain the project's objectives, implementation schedules and general cost estimates. These responsibilities must include periodically revisions of plans, services and internal processes' analysis, in order to keep the operations services in tune with the project's requirements.

It is relevant to note that the purpose of these descriptions is to be demonstrative only and do not represent an exhaustive description of the solicited services. The tasks mentioned before, and all deemed necessary for the successful development of the project, must be part of the selected team’s delivery, all while enabling sustainable job creation and a considerable economic impact.

- **“Due Date”** refers to the date and time on which the Statements of Qualifications are due. Submissions received after the stipulated date and time will not be accepted by the DDEC.

- **“Evaluation Committee”** refers to the committee designated by the DDEC that will evaluate all the Proposals in accordance to the criteria listed in this RFQ. The group will be composed of one representative from each of the following agencies: DDEC’s Project Management Office (Oficina del Secretario), DDEC’s Legal Affairs Office (Oficina de Asuntos Legales), DDEC’s Finance Department (Departamento
de Finanzas), DDEC’s Energy Policy Program (Programa de Política Pública Energética), the Puerto Rico Land Administration and one (1) representative from Integra Design Group, consulting firm assisting in this process. If deemed beneficial to the evaluation process, DDEC will seek or obtain data from any source, such as experienced professional consultants, that has the potential to improve the understanding and evaluation of the responses to this RFQ.

- “Firm/Firms”, “Respondent”, “Proposer” refers to (i) natural person, (ii) legal person, (iii) joint venture, (iv) partnership, or (v) consortium of individuals, and/or partnerships, and/or companies or other entities that submits a SOQ in response to this RFQ.


- “Key Staff” means an individual or group of individuals who will play an important role in the engagement on behalf of a "Team Member" (defined below) resulting from this RFQ.

- “Key Subcontractor” means each person or legal entity which will be principally or partially responsible for providing legal, professional and/or technical services or support in connection with the operation and maintenance of the Project.

- “Local Parties” means local general contractors, subcontractors, suppliers, manufacturers or professionals and relevant service providers who are based in or have a significant on-going business presence in Puerto Rico.

- “Project”, “Master Plan” refers to the Master Plan described in the Proposed Roadmap for Development, which is referenced throughout this RFQ.

- “RFQ” means this Request for Qualifications and its addenda issued by the DDEC.

- “Prequalified Respondent”, “Shortlisted Respondent”, “Selected Proposer” refers to the Respondent that submitted the SOQ requested in this RFQ and obtains a satisfactory PASS determination as set forth in Section V. Qualifications, D: Evaluation Criteria Table of this RFQ. This qualifies Respondents to participate in Phase 2: RFP Submission, which will be the next step in the process, as described in Section V. Qualifications, G: Developer(s) Selection Timeline.
- “SOQ” refers to the Statement of Qualifications to be submitted by Respondents pursuant to this RFQ. All references in this RFQ to “SOQ submissions,” “SOQ submittals,” “SOQ responses,” and expressions of a like nature are deemed to refer to the SOQ.

- “Team Member” means a member of a Respondent. Team Members should be identified in the submissions and cannot be changed without the prior written consent of the Committee. No Team Member may join or participate, directly or indirectly, as a Team Member in more than one Respondent for this Project. Each person or legal entity who participates as a Team Member is responsible for ensuring that no other person or legal entity which is “Related” to it joins or participates, directly or indirectly, as a Team Member in any other Respondent.
II. INTRODUCTION

The Government of Puerto Rico, through the Department of Economic Development and Commerce (“DDEC”, for its Spanish acronym) and the Puerto Rico Land Administration (PRLA), is issuing this Request for Qualifications (“RFQ”) to obtain Statements of Qualifications (“SOQs”) (collectively, a “Submission”) from highly qualified developers that have the expertise and ability to design, build, operate, maintain and finance the PUERTO RICO OCEAN TECHNOLOGY COMPLEX (“PROTECH”), one of the most exciting and innovative development opportunities anywhere. More specifically, the DDEC is soliciting Submissions from companies interested in developing the entire project comprised of mixed-use planning mostly related to deep seawater industries and sustainable strategies, including an ocean thermal energy conversion plant, which amounts to a potential investment of over $300MM, through the long term lease of approximately two hundred and fifteen (215) acres of land owned by the PRLA, around the Yabucoa Port in the eastern region of Puerto Rico (see Exhibit 1).

The DDEC, as the leading entity in the executive branch of the Government of Puerto Rico that establishes the vision and public policy of economic development and serves as coordinator and integrator of the strategies and initiatives of its affiliated entities, is publishing this RFQ with the PRLA, which owns the land selected as the ideal plot for the PROTECH development. The PRLA is a public corporation established since 1962 with the mission of creating land reserves to promote urban, economic and social development as well as environmental conservation and historic preservation, through the development of projects that contribute to the well-being and quality of life of the Island’s inhabitants. The DDEC and the PRLA have been instrumental in the development of Puerto Rico’s most ambitious development projects.

This development will be the beginning of a series of milestones that enable Puerto Rico to advance and invest in ocean related industries efforts and to create the
technologies required to adapt to the transition from conventional energy and fuels, to more responsible and sustainable alternatives.

The main driver of this development is the use of deep seawater focused in ocean thermal energy conversion ("OTEC") and seawater air conditioning ("SWAC") systems, as Puerto Rico takes advantage of its particular characteristics for the development of these technologies. Through previous preliminary studies, Puerto Rico’s east-southeast coast was found to meet the key characteristics for OTEC and SWAC development, including a sufficient temperature differential of more than 20°C difference from deep water to surface water and a favorable seafloor environment for anchoring the physical system.
III. SCOPE OF WORK

The Government of Puerto Rico, through the Department of Economic Development and Commerce, has in place an industrial development strategy that seeks to position Puerto Rico as a global leader in the knowledge economy, based upon the Island’s competitive advantages to generate sustainable economic growth and job creation. This project presents itself as a unique window of opportunity for Puerto Rico.

Puerto Rico’s New Plan for Economic Development creates the foundation for this development. Within this plan, the strategic priorities are to protect the existing industrial base and to enable the expansion of existing companies through cluster strategies. Also, the plan is designed to attract new global companies to invest in Puerto Rico, identify emerging segments that match Puerto Rico’s capabilities and promote opportunities for renewable energy developments.

Furthermore, the Puerto Rico Energy Public Policy Act (referred to in Spanish as, Ley de Política Pública Energética de Puerto Rico – Ley Núm. 17-2019) from April 11th, 2019 (“Act 17-2019”), requires the Government of Puerto Rico to develop a Renewable Energy Portfolio which shall reach a minimum of 40% renewable energy by or before 2025; 60% by or before 2040; and 100% by or before 2050. PROTECH will play an important role in the Island’s new model of energy production as set forth in Act 17-2019.

This will be a pilot project for renewable energy production data collection and will set an exciting precedent for future developments in the Island and the world. In addition to the sustainable framework provided by the Act 17-2019 to devise this development, the Puerto Rico Energy Bureau of the Public Service Regulatory Board (“PREB”) has confirmed that the PROTECH project is eligible to be included as part of the Integrated Resource Plan (see Exhibit 2). This plan, defined under Act 57-2014, as amended, is developed by the Puerto Rico Electric Power Authority (PREPA) and it is focused on ensuring the development of the electric power system in Puerto Rico, as well as the improvement of its reliability, efficiency and transparency.
Related to this objective, it must be emphasized that the Respondent will be responsible for the renewable energy data collection and protection generated by this innovative project. Refer to the Proposed Roadmap for Development document, which can be found on the RFQ website, specifically to Section 2.5: Project’s Goals and Section 11: Park Components for more details regarding the project’s sustainable strategies.

**PROTECH’s Main Components**

The project can be defined as a comprehensive technological, industrial, office and educational/research eco-park. The successful operation of PROTECH, is dependent on the interrelation of different components that must be developed for the project: the Research/Industrial Park and the OTEC Plant. The project components herein summarized are further described and detailed in the Proposed Roadmap for Development document.

A. **Research/Industrial Park**

   The park shall have full infrastructure installations and related amenities for its success. Its proposed amenities are listed in the Subcomponents section below.

B. **Ocean Thermal Energy Conversion Plant**

   OTEC is a technology that uses a turbine generator to create renewable energy from the temperature difference between cold, deep seawater circulating in the ocean and surface water warmed by the sun. OTEC is a source of constant and reliable power available 24 hours a day, 7 days a week; which produces clean energy in an environmentally sustainable fashion, capable of providing massive levels of energy.

   1. **Seawater Air Conditioning (“SWAC”):**

      The SWAC process eliminates the use of refrigerants and instead utilizes cold seawater as the primary thermodynamic chilling fluid. The primary benefits of SWAC are that it can offset electrical demand of its users by
75-85% (0.7 kW/ton), reduce the reliance on fossil fuels, reduce or entirely eliminate the need for chillers and cooling towers, achieve a rapid return on capital investment (typically between 6 and 8 years), and is easily adaptable to conventional chill water air conditioning systems; a standard that most large commercial buildings and hotels currently utilize.

2. Agriculture, aquaculture, and other uses:
Since deep seawater maintains its low temperature (10-12 degrees Celsius) and unique mineral properties after use in OTEC power generation, the water can be used in agriculture, industry, cooling, and other fields.
PROTECH’s Subcomponents

The following is a list of the park components. For further description, refer to Proposed Roadmap for Development document.

Components 1 & 2: Vehicular and Pedestrian Accesses to the Complex.
Component 3: Historical ruins La Lucía Sugar Plantation.
Component 4: Access controls.
Components 5 & 6: Retail, multi-use and communal spaces.
Component 7: Parking garages.
Component 8: Elevated walkway.
Component 9: Land berm/levee and canal.
Component 10: Photovoltaic panels array (above elevated walkway).
Component 11: Park/Plaza for gatherings, open food venue and small market.
Component 12: Crops and orchards.
Component 13: Educational and Research hubs.
Component 14: Ocean Thermal Energy Convention Plant (“OTEC”).
Component 15: Park for passive recreation and leisure.
Component 16: Ocean Flora and Fauna Aquarium.
Component 17: Ocean Flora and Fauna Museum.
Component 18: Research Campus.
Component 19: Hotel.
Component 20: Lucía Beach.
Component 21: Mariculture (seawater), aquaculture (fresh water) and fisheries.
Component 22: Offices and Industrial Lots.
Component 23: Lots for administrative offices and manufacturing processes of the water related industries.
Component 24: Landmark Monument.
Component 25: Boulevard.
Component 26: Public bathrooms/refreshment building for the bathers at Lucía Beach.
Component 27: Area for additional Ocean Thermal Energy Conversion plants.
IV. GENERAL TIMELINE

The following timeline provides a general framework to understand the project’s development phases composition.

**PHASE I**
1Q 2019 @ 4Q 2020
- Master Plan
- Request For Qualifications (RFQ)
- Request For Proposals (RFP)
- Developer Selection – Negotiation Phase

**PHASE II**
4Q 2020 @ 3Q 2021
- Land Transaction
- Initial Permitting Process: State, Municipal and Federal Agencies Consultations
- Environmental: NEPA compliance, Preparation of Environmental Impact Statement

**PHASE III**
3Q 2021 @ 2Q 2022
- Park Design & Permits Phase

**PHASE IV**
2Q 2022 @ 2Q 2023
- Infrastructure & Site Development (Construction)
- OTEC DOW Pipe Systems Construction

**PHASE V**
2Q 2022 @ 2Q 2027
- Tenants & Industries Development

1Q 2019 @ 4Q 2020
V. QUALIFICATIONS

Requirements for SOQs.

A. Administrative

1. Cover Transmittal Letter. Respondents should submit a signed cover letter which acknowledges that the respondent has received, examined, and is familiar with the RFQ, including all exhibits and information posted on https://www.ddec.pr.gov/protech. The cover letter must provide an executive summary of the SOQ. The cover letter should be signed by a person that has full authority to bind the Respondent to the SOQ and to all terms and conditions of the RFQ, as dully authorized by an official certificate of resolution of the Respondent. If multiple team members are included in the SOQ, an authorized representative from each team member may sign the same cover letter or submit separate cover letters containing these representations, together with each of the Respondents certificates of resolution.

2. Deadline for SOQs. All SOQs must be submitted on or prior to Friday, August 28th, 2020 by 11:59PM AST. Hard copies, telegraphic and facsimile offers and/or modifications will not be considered. Any SOQ received after the time and date specified above will be rejected.

3. Other Required Documents. Refer to Section VII. Exhibits, for all mandatory documents to be issued as part of this RFQ.

B. Presentation of Qualifications. Each SOQ should address the following items, in the order listed below:

1. Part I: Qualifications and Past Performance. Information should be provided that will enable the DDEC to evaluate the Respondent’s qualifications and past performance. At a minimum, the following items should be addressed in this section of the SOQ and apply to both the primary Respondent and any identified team members:
a) A description of the Respondent’s organizational history and background.

b) A description of the Respondent’s team structure, including the role to be played and qualifications of key personnel and any team members. In an appendix, attach biographies of key personnel and an organizational chart. If more than one entity is involved in the SOQ, describe the expected legal relationships among these entities, and their previous experience working together, if any.

c) A summary of the Respondent’s experience in developing, managing and operating large, complex projects of a similar nature, specifically on projects and/or developments that implement sustainable strategies, such as renewable energy generation and expertise in projects using deep water pipes and/or OTEC plants. To the extent possible, the narrative should specifically describe how the Respondent’s experience demonstrates that it has the skills and experience necessary as a team to develop PROTECH.

d) Although the evaluation will be performed for the team, identify up to three (3) examples of projects completed within the last fifteen (15) years that demonstrate relevant experience for each team member. In particular, any projects that were public-private partnerships, that entailed a development of a similar scale/nature, or required the respondent to finance, design, construct, operate and maintain the project should be described. For each example provided, identify: (i) the role the team member played in the project, (ii) the period of performance, and (iii) contact information for the client's contracting officer or similar supervising party for the project.

2. Part II: Financial Capability. Information should be provided that will enable the DDEC to preliminarily determine whether the Respondent will have the ability to finance the proposed development.
Respondents may receive a stronger evaluation depending upon the level of detail and commitment relative to the project financing. At a minimum, the following items should be addressed in this section of the SOQ:

a) Provide a general overview of the Respondent’s financial stability.

b) Provide a description of the Respondent’s strategy for financing the project. If applicable, describe any constraints or parameters tied to your capital funds, if any (i.e., maximum period of time for investment, restrictions as to type of projects that can be funded).

c) In an appendix, provide the Respondent’s audited financial statements from the previous three (3) years showing the Respondent’s net worth and current financial status, including all statements of changes in financial position and identifying any projects with negative cash flows, amount of the Respondent’s non-recourse debt, and any non-performing loans. In the event funds are to be borrowed to finance any portion of the total investment made by the Respondent, include a letter of interest from a bank or other lending institution.

d) Identify up to three (3) examples of projects completed within the last fifteen (15) years that demonstrate the Respondent’s ability to secure financing to implement projects of similar size and scope. For each example, identify (i) the size and/or scope of the project, (ii) the role the Respondent played in the project, (iii) brief description of such projects and their financing structure, (iv) the period of performance, and (v) the contact information for the client’s contracting officer or similar supervising party for the project. Also identify any “failed” projects within the last ten (10) years.

e) Provide the contact information for up to three (3) banking/investment references that have provided the Respondent
3. Part III: Preliminary Development Concept Narrative. Each SOQ must include a description of the Respondent’s proposed preliminary development concept narrative for the project. The DDEC expects the Respondents to use the Master Plan presented in the Proposed Roadmap for Development as a reference for this requirement. If the Respondent proposes modifications to the Master Plan, it is strongly suggested that the description includes the reasons that supports the changes. The purpose of the preliminary development concept at this RFQ phase is merely to allow the DDEC to determine: (i) whether the respondent understands the technical and regulatory issues and other development considerations outlined in this RFQ; (ii) whether the proposed preliminary development concept is consistent with the nature of the development opportunity; and, (iii) to help the DDEC determine whether it is best to select one or multiple developers to complete the project. At a minimum, the following items should be addressed in this section of the SOQ:

a) Provide a narrative description of the preliminary development concept for the project;
b) Provide a preliminary schedule and identify any conditions that must be satisfied prior to commencing the development of the project; and,
c) Identify a proposed phasing plan, including any milestones of interest.

C. Page Limitations. While there is no page limitation for the SOQs, Respondents are strongly encouraged to be concise in their responses.

D. Evaluation Criteria. Respondents will be evaluated during the RFQ phase based upon a PASS/FAIL determination, as detailed on the evaluation criteria table broken down on the next page. Respondents are strongly encouraged to submit all requested documentation. DDEC will disqualify any Respondents with financing of a magnitude similar to what is required for the project.
that do not comply with the instructions. Partial compliance will be considered as noncompliance.

Pass/Fail Determination: Each SOQ must achieve a rating of "PASS" on each criteria this RFQ in order to move onto the evaluation process of the Presentation of Qualifications, which is composed of the following sections:

Part I: Qualifications and Past Performance
Part II: Financial Capability
Part III: Preliminary Development Concept Narrative
### Requirements for SOQs

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<tr>
<td>b Exhibit 5: Curriculum Vitae of each of the members of the companies interested in participating in this RFQ.</td>
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<td>c Exhibit 6: Corporate Resolution.</td>
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<td>d Exhibit 7: Certificate of Resolution authorizing the designated person has full authority to bind the Respondent to the SOQ and to all terms and conditions of the RFQ.</td>
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### PASS/FAIL DETERMINATION

### Presentation of Qualifications

#### Part I: Qualification and Past Performance

1. **Description of the Respondent’s organizational history and background.**
2. **Description of the role to be played and qualifications of key personnel and any team members, including biographies of key personnel and an organizational chart if more than one entity is involved in the SOQ.**
3. **Summary of the Respondent’s experience in developing, managing and operating large, complex projects of a similar nature, specifically on projects and/or developments that implement sustainable strategies, such as renewable energy generation and expertise in projects using deep water pipes and/or on OTEC plants.**
4. **Identify up to three (3) examples of projects completed within the last fifteen (15) years that demonstrate relevant experience for each team member. For each example, identify (i) the role the team member played in the project, (ii) the period of performance, and (iii) contact information for the client’s contracting officer or similar supervising party for the project.**

#### PASS/FAIL DETERMINATION

#### Part II: Financial Capability

1. **Provide a general overview of the Respondent’s financial stability.**
2. **Provide a description of the Respondent’s strategy for financing the project. If applicable, describe any constraints or parameters tied to your capital funds, if any.**
3. **Provide audited financial statements from the previous three (3) years showing the Respondent’s net worth and current financial status, including all statements of changes in financial position and identifying any projects with negative cash flows, amount of the Respondent’s non-recourse debt, and any non-performing loans. In the event funds are to be borrowed to finance any portion of the total investment made by the Respondent, include a letter of interest from a bank or other lending institution.**
4. **Identify up to three (3) examples of projects completed within the last fifteen (15) years that demonstrate the Respondent’s ability to secure financing to implement projects of similar size and scope. For each example, identify (i) the size and/or scope of the project, (ii) the role the Respondent played in the project, (iii) brief description of such projects and their financing structure, (iv) the period of performance, and (v) the contact information for the client’s contracting officer or similar supervising party for the project. Also identify any “failed” projects within the last ten (10) years.**
5. **Provide the contact information for up to three (3) banking/investment references that have provided the Respondent with financing of a magnitude similar to what is required for the project.**

#### PASS/FAIL DETERMINATION

#### Part III: Preliminary Development Concept Narrative

1. **Provide a narrative description of your preliminary development concept for the project.**
2. **Provide a preliminary schedule and identify any conditions that must be satisfied prior to commencing the development of the project.**
3. **Identify a proposed phasing plan, including any milestones of interest.**

#### PASS/FAIL DETERMINATION

#### FINAL PASS/FAIL DETERMINATION
E. Oral Presentations. The DDEC, at its sole discretion, may require all or a short-listed group of the Respondents to participate in oral presentations. Details regarding the date, format, and other logistics for oral presentations will be provided to Respondents at a later date.

F. Developer(s) Selection Process. A phased process has been established by the DDEC for selecting the developer(s) for the project.

1. Phase 1: RFQ Submission. The intent of this phase is to identify candidates who have the proven capacity, track record, and interest to develop the project. Also, it is expected to obtain substantiated evidence of performance capacity and the capability to complete an undertaking of this magnitude, along with verification of prior or present involvement in projects similar to the development of PROTECH. This project requires a comprehensive and in-depth understanding of sustainable strategies, renewable energy concepts and application that positions the project- and the interested Respondents- in an unprecedented development opportunity in Puerto Rico.

   Phase 1 will also enable the DDEC to better understand the interest in the private sector and determine whether the development will best be handled by one developer, or by more than one developer. Prequalified respondents will be identified in this phase and invited to participate in Phase 2.

2. Phase 2: RFP Submission. Subject to the results of the RFQ, this phase will require the preparation and submission of detailed project and participant information that will provide a sufficient basis for the DDEC and PRLA to assess the responsiveness to the RFP, adherence to the DDEC’s vision for development of the project, market feasibility, innovative ideas, strength of community benefits, timing for development, number of jobs created, and strength of the financial response. Prequalified respondents who intend to submit proposals during Phase 2 will be required to present their qualifications and development concepts to the DDEC and PRLA, and possibly at a public
meeting prior to final selection. At the completion of Phase 2, the DDEC will select one or more developers.

G. Developer(s) Selection Timeline. The DDEC’s expected timeline for selection of the developer(s) is set forth in the tables below. Please note that the activities and timetable are only a guide and are subject to change at the DDEC’s sole discretion.

Phase 1: RFQ Submission.

Issuance of the RFQ: **Tuesday, July 7th, 2020**  
Deadline for Submission of Respondent Registration Form:  
**Tuesday, July 28th, 2020** by e-mail to: protech@ddec.pr.gov  
Deadline for Questions on the RFQ: **Tuesday, July 28th, 2020**  
Deadline for Answers: **Friday, August 7th, 2020**  
Optional Pre-Submittal Meeting: **TBD**  
Submission Deadline: **Friday, August 28th, 2020**

Phase 2: RFP Submission.

Announcement of Prequalified Respondents: **TBD**  
Issuance of the RFP to the Prequalified Respondents: **TBD**  
Site Visits for Prequalified Respondents: **TBD**  
Deadline for Questions on the RFP: **TBD**  
Deadline for Posted Responses to Questions: **TBD**  
Proposal Submission Deadline: **TBD**  
Presentations by Prequalified Respondents: **TBD**  
Selection of top developer(s): **TBD**
VI. MISCELLANEOUS TERMS AND CONDITIONS APPLICABLE TO ALL RESPONDENTS

A. Legal Requirements. Respondents are responsible for complying with all legal requirements set forth in Section VII. Exhibits.

B. Reference Documents. To assist respondents in preparing to respond to this RFQ, the DDEC has created a website at https://www.ddec.pr.gov/protech. The website gives access to a virtual data room that contains all exhibits and other documents with detailed information on the Project and will be of assistance in the development of the Submissions.

C. Questions and Information. Any questions, requests for clarification, and general information requests must be sent via e-mail to the DDEC at protech@ddec.pr.gov in accordance with the deadlines set forth above. Inquiries made by telephone or any other media that is not e-mail will not be accepted, considered nor answered. The DDEC will provide all prospective respondents any questions it receives and any answers, clarifications and/or information it provides in response thereto. Such information will be posted on https://www.ddec.pr.gov/protech on the RFQ section. Only written responses posted on the website will be considered official.

D. Amendments to this RFQ. This RFQ may be modified by formal amendment, document or letter. If this RFQ is amended, then all terms and conditions that are not revised remain unchanged. Any amendments will be posted on https://www.ddec.pr.gov/protech on the RFQ section and sent to registered participants by e-mail.

E. Authorizations by Submission of a SOQ. Any and all information provided by a respondent and its team members may be used by the DDEC to conduct credit and background checks. The respondent agrees to execute any additional documentation requested by the DDEC to evidence this consent. At its discretion, DDEC staff may contact references and industry sources, investigate previous projects and current commitments, interview some or all of the proposed development team members, and take any other information into account in its evaluation of the responses. The DDEC reserves the right to
request clarifications or additional information and to request that respondents make presentations to the DDEC, community groups, or others.

F. Teaming Arrangements and Special Purpose Entities. Multiple respondents may form a joint venture for the purpose of submitting a Submission in response to this RFQ. A special purpose entity may be created for the purpose of submitting a Submission. The DDEC may require that financial and performance guarantees be provided by these and other respondents as well as team members. (Note: the DDEC will not be involved in facilitating partnering or teaming arrangements.) When a joint venture will be utilized, please present information for both entities and include with your Submission a copy of the legal documentation establishing the joint venture.

G. Indemnification. By participating in this RFQ process, each respondent agrees to indemnify and hold harmless the DDEC, the PRLA and its officers, employees, contractors, agents and advisors from and against any and all real estate and other brokerage fees or commissions, finder's fees, and any other forms of compensation related in any way to activities undertaken by any person as a result of such person's efforts towards and/or participation in this RFQ process or the submission by such person of a SOQ, and liabilities, losses, costs, and expenses (including reasonable attorney's fees and expenses) incurred by any indemnified party as a result of, or in connection with, any claim asserted or arising as a result of, or in connection with, this RFQ process. This includes any and all activities related to the DDEC's exclusive negotiations with the selected developer(s).

H. Studies, Assessments and Site Conditions. The Property will be provided to the selected Master Developer or Developers in its “as-is” condition, without representation or warranty by the DDEC or the PRLA as to physical or environmental condition of the land or any existing structures, if applicable. Neither the DDEC, nor the PRLA, make representations regarding the character or extent of soil or subsurface conditions or the conditions and existence of utilities that may be encountered during any work, development, construction or occupancy of the Property. The Respondents will be solely responsible for
undertaking any recommended, standard and required studies of the Property conditions and/or the Project including any viability, environmental, health and safety issues and should not rely on any reports or information related to such issues provided to the selected Master Developer or Developers by the DDEC and the PRLA.

I. Public Information. All information submitted in response to this RFQ becomes property of the DDEC. The documents and other records submitted to the DDEC are part of the public record and subject to public disclosure; accordingly, information submitted should be expected to be subject to public availability. Therefore, any response submitted which contains confidential information must be conspicuously marked on the outside as containing confidential information, and each page upon which confidential information appears must be conspicuously marked as containing confidential information. The Respondent acknowledges and assumes the responsibility to conspicuously mark any confidential information. The DDEC is not responsible and thus will not be held liable for the disclosure of information that the Respondent failed to mark as confidential.

J. Organizational Conflicts of Interest. Each respondent should clearly identify in its Submission any person or entity that has assisted the respondent to prepare its Submission that has advised, or is currently advising, the DDEC on any aspect of the PROTECH development.

K. Other Terms and Conditions. All applicable local, federal laws and regulations will govern this RFQ and all agreements entered in connection with this RFQ.

L. Not a Contract. This RFQ does not constitute an offer to enter into a contract with any individual or entity, thus no contract of any kind is formed under, or arises from, this RFQ. This RFQ is not binding on the DDEC, the PRLA or the property. Neither the expression of any Respondent’s interest, nor the submission of any Respondent’s qualifications and any documents or other information, nor the acceptance thereof by the DDEC or the PRLA, nor any correspondence, discussions, meetings, or other communications between the Respondent and the DDEC or the PRLA, nor a determination by the DDEC
or the PRLA that the Respondent is qualified hereunder; shall impose any obligation whatsoever on the DDEC or the PRLA to designate the Respondent, to discuss any Proposal which the Respondent may submit, or to enter into negotiations with the Respondent, nor shall entitle the Respondent to any compensation or reimbursement for any costs or expenses incurred by the Respondent in connection with the Respondent’s submission hereunder or to any rights over the PRLA property.

M. Confidentiality of Information Associated to DDEC. Any and all information associated to the DDEC or a government entity obtained by the respondents as a result of participation in this RFQ is confidential and must not be disclosed without prior written authorization from the DDEC.

N. Reservation of Rights. The DDEC reserves the right, in its sole and absolute discretion, to:

1. Change or amend the business opportunities described in this RFQ;
2. Cancel or suspend this RFQ process or any or all phases, at any time for any reason;
3. Accept or reject any Submission based on the selection criteria and as determined by the discretion of the DDEC;
4. Waive any defect as to form or content of this RFQ or any response thereto;
5. Not accept any or all Submissions;
6. Qualify one or multiple developers that will best meet the DDEC’s needs and objectives, among respondents to this RFQ;
7. Incorporate the RFQ or any Respondent’s response to the RFQ as part of any formal agreement with a Shortlisted Respondent;
8. Reject all or any Submissions without any obligation, compensation or reimbursement to any respondent or any of its team members; and
9. Extend any date, time period or deadline provided in this RFQ, upon notice to all respondents.

O. Restriction of Damages.
1. Each respondent agrees that in the event that any or all Submissions are rejected, or this RFQ is modified, suspended or cancelled for any reason, neither the DDEC, the PRLA, nor any of its officers, employees, contractors, agents or advisors will be liable, under any circumstances.

P. Incurred Costs.

1. The DDEC and the PRLA are not responsible for any expense incurred in preparing and submitting a response to this RFQ or taking any action in connection with the qualification process, or for the costs of any services acquired by respondents in connection to their SOQ. Moreover, each respondent acknowledges that it is solely responsible for all costs it incurs in preparing a response, including costs of providing information requested by DDEC, and for following negotiations or competitions arising from, or in connection with, a subsequent contract, if any.

Q. Disclosure.

1. The information submitted by the respondents will be published on the Internet once the Phase 1: RFQ Submission is completed and a list of Shortlisted Respondents are selected.

2. All public information generated in relation to the process, including communications with the media and the public, must be coordinated with, and is subject to prior approval of the DDEC.

R. No Obligation to Accept Submissions. The DDEC is not obligated to accept a Submission which, at the discretion of the DDEC: (i) is not in compliance with the requirements of this RFQ; (ii) includes a false or misleading statement, claim or information; or, (iii) a background checks reveal any false statements in the Submission.

S. No Collusion or Fraud. Each Respondent is held responsible to ensure that its participation in this RFQ process is conducted without collusion or fraud. Respondents will not discuss or communicate, directly or indirectly, with any other Respondent(s) or any director, officer, employee, consultant, advisor, agent, representative or Team Member of any other Respondent regarding the preparation, content or representation of their SOQs.
T. Withdrawal of SOQs. A Respondent may withdraw a SOQ by delivering to the DDEC a written request via e-mail for withdrawal, prior to the date of the selection of the Shortlisted Respondents. Any such withdrawal does not prejudice the right of a Respondent to submit another SOQ by the Submission Deadline.

U. SOQ Validity Period: Respondents represent that all the information provided in their SOQ is current and will be valid for a period of at least ninety (90) days from the Submission Deadline.
VII. EXHIBITS

The following section contains documents and legal requirements referenced throughout this RFQ and must be part of the RFQ submission.

Exhibit 1: Site Plan.

*It is important to clarify that the area marked as “AREA RESERVADA 20 CDAS” is not the final location.*

Exhibit 2: The Puerto Rico Energy Bureau of the Public Service Regulatory Board confirms the PROTECH project is eligible to be included as part of the Integrated Resource Plan.

Exhibit 3: List of documents and corresponding links mentioned in the RFQ and in the Proposed Roadmap for Development document.

Exhibit 4: Affidavit of No Convictions of each of the members of the companies interested in participating in this RFQ, as described under Act 458-2000, as amended by Act 428-2004.

Exhibit 5: Curriculum Vitae of each of the members of the companies interested in participating in this RFQ.

Exhibit 6: Corporate Resolution.

Exhibit 7: Certificate of Resolution authorizing the designated person has full authority to bind the Respondent to the SOQ and to all terms and conditions of the RFQ.
Exhibit 1:
Exhibit 2:
10 de junio de 2020

Vía correo electrónico dirigido a:
Yan.Oquendo@ddec.pr.gov

Yan Carlo Oquendo Ramos
Director
Programa Política Pública Energética del DDEC
Ave. F. D. Roosevelt 355
Hato Rey, Puerto Rico 00918


Estimado señor Oquendo Ramos:

Acusamos recibo de su radicación el 2 de junio de 2020 ante el Negociado de Energía de la Junta Reglamentadora de Servicio Público. En su comunicación solicita del Negociado de Puerto Rico que el proyecto PROTECH, dirigido por el Departamento de Desarrollo Económico y Comercio (DDEC) sea considerado en el Plan Integrado de Recursos (IRP, por sus siglas en inglés). Según informa, el proyecto PROTECH es un prototipo que consiste en el uso de energía térmica oceánica y se estima que genere alrededor de sólo 500 kW en el litoral del municipio de Yabucoa. Sin embargo, podría ayudar para el futuro desarrollo de otros proyectos similares de mayor escala y representa una innovación para el desarrollo económico, social y ambiental de Puerto Rico.

La energía térmica es considerada una fuente de energía renovable ya que son depósitos de agua caliente que existen a diferentes temperaturas y profundidades debajo de la superficie de la Tierra. Los pozos de una milla o más de profundidad pueden perforarse en depósitos subterráneos para aprovechar el vapor y el agua muy caliente que pueden llevarse a la superficie para su uso en una variedad de aplicaciones, incluida la generación de electricidad, el uso directo y la calefacción y refrigeración¹.

La conversión de energía térmica oceánica (OTEC) es un proceso o tecnología para producir energía al aprovechar las diferencias de temperatura (gradientes térmicos) entre las aguas superficiales oceánicas y las aguas oceánicas profundas. Estados Unidos se involucró en la investigación de OTEC en 1974 con el establecimiento del Laboratorio de Energía Natural de la Autoridad de Hawái. El laboratorio es una de las instalaciones de prueba líderes en el mundo para la tecnología OTEC. El laboratorio operó una planta OTEC de demostración de 250 kilovatios (kW) durante seis años en la década de 1990. La Marina de los Estados Unidos apoyó el desarrollo de una planta OTEC de demostración de 105 kW en el sitio del laboratorio. Esta instalación comenzó a funcionar en 2015 y suministra electricidad a la red eléctrica local2.

Siendo los proyectos de energía térmica oceánica proyectos de energía renovable, siempre y cuando el proyecto según sometido esté considerado dentro de la capacidad establecida en el IRP para proyectos de energía renovable no es necesario hacer ninguna enmienda al IRP para incluir al mismo.

Cordialmente quedo,

[Signature]

Edison Avilés Deiz
Presidente

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### Exhibit 3:

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<th>#</th>
<th>DOCUMENT</th>
<th>LINK</th>
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| 1 | An Evaluation of the U.S. Department of Energy’s Marine and Hydrokinetic | https://www.nap.edu/catalog/18278/an-evaluation-of-the-us-department-of-
|   | Resource Assessments, from 2013                                        | energies-marine-and-hydrokinetic-resource-assessments                 |
| 2 | Ley de Política Pública Energética de Puerto Rico – Ley Núm. 17          | http://www.lexjuris.com/lexlex/Leyes2019/lexl2019017.html            |
|   | and Disaster Recovery Plan for Puerto Rico                             |                                                                      |
| 7 | Coral Reef Information System of the National Oceanic and Atmospheric   | https://www.coris.noaa.gov/                                          |
|   | Administration (NOAA)                                                  |                                                                      |
| 8 | Sea Surface Temperature Map (C°) - Suitable Locations for OTEC          | https://www.ncdc.noaa.gov/cdr/oceanic/sea-surface-temperature-optimum-interpolation |
|   | Development                                                             |                                                                      |
| 9 | surveys for coast bathymetry                                           | https://maps.ngdc.noaa.gov/viewers/bathymetry/                        |
| 10| Puerto Yabucoa NOAA Nautical Chart No.25661                            | https://www.nauticalchartsonline.com/chart/zoom?chart=25661          |