

REQUEST FOR PROPOSAL (“RFP”) TO BUILD, OWN AND OPERATE NEW GENERATION CAPACITY

Corrigendum 1

Date: 30 Aug 2023

S/No.	Comments	EMA’s Response
1	<p>Reference to Clause 1.2: Projected System Peak Demand (GW):</p> <ul style="list-style-type: none"> i. Can EMA share the projected GWh consumption per year? ii. Can EMA share the underlying probability of achieving the projected system peak demand under Upper, Base and Lower case? 	<ul style="list-style-type: none"> i. The projected GWh has been included in the updated RFP document version 3.0 published on EMA’s website. ii. The system peak demand of the three cases are projected based on their corresponding forecast of economic drivers (i.e., GDP growth, temperature and population), and anticipated demand of existing and emerging electricity intensive sectors. The anticipated demand of electricity intensive sectors is estimated based on varying likelihood of the incoming investments materialising. We are unable to disclose further details due to commercial sensitivity.
2	<p>Reference to Clause 1.3: Projected Electricity Supply (GW):</p> <ul style="list-style-type: none"> i. Request for EMA to share with the industry on the yearly PV used in their projection. ii. Request for EMA to share with the industry on the yearly LTMS assumption used in their projection. 	<ul style="list-style-type: none"> i. Due to commercial sensitivity, EMA is unable to share the specifics. However, a linear growth from 821MWp in 2022 to 2GWp in 2030 can be assumed. ii. 100MW of electricity imports from LTMS-PIP has been assumed for each year.

	<p>iii. Request for EMA to share with the industry the yearly plant retirement MW used in their projection.</p>	<p>iii. The 1GW of existing capacity is projected to be retired by 2028.</p>
3	<p>Reference to Clause 2.1: Size of Generation Capacity:</p> <p>To confirm that 600MW refers to maximum generation output of the generating unit at ambient temperature of 32 degree Celsius <u>before the house load.</u></p>	<p>Yes, that's correct.</p>
4	<p>Reference to Clause 2.8: Performance Bond:</p> <p>Participant should not be penalized for project delays due to events beyond their reasonable control. As such, EMA to confirm that project delays due to delay in the Gas and/or Electricity Connection by SP from their indicative completion date should not lead to forfeit of the Performance Bond.</p>	<p>In the event of the RFP Winner failing to meet its declared project milestones, EMA has the right to withhold the reduction of the Performance Bond sum and/or forfeit full or part of the Performance Bond sum. Nonetheless, EMA will consider the circumstances leading to the delay (e.g. the cause and extent of the delay).</p>
5	<p>Regarding the required Performance Bond Sum of S\$100million, we would like to check if the Shortlisted Participant has the option to furnish multiple Performance Bonds to collectively fulfil the stipulated aggregate amount required.</p> <p>For example, could the Shortlisted Participant provide three distinct bonds from separate banks, namely \$30 million, \$30 million, and \$40 million, to meet this Performance Bond Sum of S\$100 million?</p>	<p>The Shortlisted Participant may furnish multiple Performance Bonds to collectively fulfil the stipulated aggregate amount required provided each and every Performance Bond meets the requirements stated in the RFP document. To reiterate, the Performance Bonds shall be in the form of an irrevocable on-demand performance bond and shall be issued by a local bank, wholesale bank, qualifying full bank or full bank or insurance company approved by Monetary Authority of Singapore as stated in the RFP.</p>
6	<p>Reference to Clause 2.10: Performance Conditions:</p> <p>For any delay in the project milestones stipulated in the Performance Conditions, there will be a delay in the reduction in the Performance Bond.</p>	<p>In the event of the RFP Winner failing to meet its declared project milestones, EMA has the right to withhold the reduction of the Performance Bond sum and/or forfeit full or part of the Performance Bond sum. Nonetheless, EMA will consider the circumstances leading to the delay (e.g. the cause and extent of the delay).</p>

	Can we confirm that there is no other penalty in addition to the delay in the reduction of the Performance Bond for any failure to meet the project milestones stipulated in the Performance Conditions?	
7	Could we check if the tenure of the Performance Bond can be for 1 year only, and renewed on an annual basis?	No, the Performance Bond shall remain in full force and effect from the date that it is furnished to EMA until the date the Performance Bond is returned to the Shortlisted Participant.
8	To confirm that a Participant can submit more than one Proposal for this RFP.	Yes, a Participant is allowed to submit multiple proposals for the RFP provided each proposal meets the requirements stipulated in the RFP document. However, only 1 proposal may be awarded.
9	<p>Clause 2.16 mentions about following:</p> <p>a) Participants with existing land shall use their existing land</p> <p>b) Participants without existing land shall use the greenfield site made available by EMA</p> <p>We would like to clarify our understanding below.</p> <p>i) Participants can only submit 1 proposal, either for a) existing land or b) greenfield site - EMA land (for those without existing land)</p> <p>ii) In other words, Participants are not allowed to submit 2 proposals, i.e. one using existing land and another using greenfield site (EMA land)</p>	A Participant is allowed to submit multiple proposals (one with existing land and another using greenfield site) for the RFP provided each proposal meets the requirements stipulated in the RFP document. However, only 1 proposal may be awarded.
10	<p>Clause 2.17 mentions that RFP Winner that takes up greenfield site will be required to participate in subsequent 3 RFPs, to BOO second new generating unit.</p> <p>We would like to clarify our understanding below.</p>	For this RFP, Participants that plan to use the greenfield site identified by EMA in the RFP document shall clearly demarcate the amount of land to be occupied by first and second generating units. For avoidance of doubt, only the plot required for the first generating unit will be accorded to the

	<p>i) Participants that will use greenfield site (EMA land) will need to submit proposal for 1 block of new generating unit, plus 1 more block as an option for future expansion, i.e. 1+1 = 2 blocks in the proposal</p> <p>ii) Participants may also submit only 1 block of new generating unit for this RFP. In this case, they will be required to submit 1 more block of new generating unit at the next RFP.</p>	RFP Winner in the first instance and the remaining land may be accorded upon winning subsequent/future RFP.
11	<p>Reference to Clause 3.2: Cardinal Requirements:</p> <p>To clarify what is the measurement for Participant to demonstrate its ability to finance the proposed generation business?</p>	EMA's assessment will include but not limited to, the Participant's financial performance based on the audited financial statements for the most recent 2 financial years, history of bankruptcy or financial distress (if any), and financing plan with details of sources of capital and repayment schedule.
12	<p>Reference to Clause 3.2: Cardinal Requirements: Submission of Generation License Application:</p> <p>To confirm if Participant is able to submit modification to its Schedule A of its existing Generation Licence for <u>multiple cases</u> via GoBusiness Licensing portal.</p> <p>For example:</p> <ul style="list-style-type: none"> • Case 1: 600MW CCGT • Case 2: 760 MW CCGT; 160 MW BESS 	Participant who is an existing Generation Licensee shall consolidate and submit the proposed modifications to Schedule A of its existing Generation Licence as a single application via the GoBusiness Licensing portal for EMA's review.
13	<p>Reference to Clause 3.3: Market Concentration:</p> <p>To clarify if the assessment will be based on the expected generation capacity on 31 Dec 2027.</p>	The assessment will be based on generation capacity, considering expected retirements of existing and additions of new generation capacity, by end 2028.
14	Reference to Clause 3.3 Commitment to offer Price Competitive Contracts for any uncontracted capacity:	

<ul style="list-style-type: none"> i. To confirm that it is not mandatory for Participant to submit any commitment to offer any available uncontracted capacity as part of their RFP. ii. The definition of “available and uncontracted capacity” needs to be clearly defined. Generation capacity that does not have the gas contracted should be excluded. iii. Does “existing generating unit” includes Open Cycle Gas Turbines capacity or just limited to gas-fired Combined Cycle Generating Unit only? iv. It is not clear what is the duration required for this offer. Is there a minimum number of years required? v. Can EMA confirm that Carbon Tax shall be recovered as part of the Fuel Cost under SRMC? vi. Can the Participant stipulate the amount of uncontracted capacity that it is able to offer? vii. For avoidance of doubt, can EMA provide what is the non-fuel component of vesting LRMC in \$/MWh that the SFM cannot exceed in this tender? viii. The current vesting parameters are change on an annual basis, can EMA confirm that no revision downward of the SFM is 	<ul style="list-style-type: none"> i. Failure to submit an offer for criterion “Commitment to offer Price Competitive Contracts for any uncontracted capacity” will not result in the disqualification of their proposal but will be accorded score of 0% for this criterion. ii. Available and uncontracted means generation capacity not on outage that is not generating to serve contracted load (e.g., retail contracts, vesting contracts, CfDs etc.) The commitment for capacity has no bearing on gencos’ gas contract position. iii. It will be limited to Combined Cycle Gas Turbine. iv. The commitment is for a standing offer of available and uncontracted generation capacity for the lifespan of the new generating unit. v. Carbon Tax is a non-fuel component of vesting LRMC. vi. No. vii. Participant can submit the Specific Fixed Margin (“SFM”) as a non-negative percentage discount off the prevailing vesting non-fuel component. viii. Please refer to our above response under (vii).
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	required if the future non-fuel component of vesting LRMC falls below the SFM?	
15	<p>Reference to Clause 4.6(d): Proposed Gas and Electricity Connections:</p> <p>Can EMA confirm what are the key information that is required in the letter or email issued by PowerGas and SP PowerGrid for the proposed gas and electricity connections?</p>	The letter or email to be issued by PowerGas and SP PowerGrid shall confirm receipt and review of Participant’s proposed gas and electricity connection request based on information in paragraph 2.15 of the RFP document provided to PowerGas and SP PowerGrid. The RFP Winner would need to provide the technical details subsequently with its formal connection application, and the proposed connection scheme of PowerGas and SP PowerGrid will be subject to PSO endorsement.
16	<p>Reference to Clause 4.11: Mode of Submission:</p> <p>The file size for submission is expected to be large. With the limitation of not more than 25 MB for each email, can EMA consider other alternative mode of submission (such as Dropbox, etc.) for more efficient submission?</p>	No alternative mode of submission will be allowed for the submission. If the file size of the proposal exceeds the attachment size limit of an email, Participants may split their proposal and submit to EMA via multiple emails.
17	<p>Reference to 62% Fuel Stock Level Requirement for CCGT:</p> <p>There is a requirement by EMA for generation company to contract at least 62% of fuel to operate its CCGT capacity at any point in time (“Required Stock Level”). With the uncertainty in the forecasted demand, we would like to request for the Required Stock Level to be waived for the new CCGT so that the market will not be in a “excess” gas situation.</p>	EMA requires gencos to maintain a Required Stock Level (“RSL”) of fuel such that the gencos’ combined cycle gas turbine (“CCGT”) generating units are able to operate at no less than 62% of the CCGT generating unit’s generation capacity available for each calendar month (i.e. excluding any capacity on planned maintenance approved by PSO). The RSL is set based on gencos’ historical CCGT generation output, which will be reviewed from time to time to ensure it remains relevant. Furthermore, EMA does not stipulate the fuel type that gencos have to procure, i.e. the RSL need not be met with only gas.
18	Reference to the criterion on Simple Cycle Mode:	CCGT that is capable of operating on Simple Cycle Mode for at least 4 hours continuously will be awarded the 5% allocated for this criterion.

	<p>CCGT can run on open cycle mode now but not on prolonged basis i.e., for not more than a day.</p> <p>To confirm that if the requirement is to have a bypass stack for prolonged operation under simple cycle mode.</p>	
19	<p>Enquiring if EMA is intending to postpone the proposal submission closing date of 31 October 2023.</p>	<p>There is no intention to postpone the RFP closure date.</p>