

Oranjestad, Aruba  
August 15th, 2022

**Invitation for Expression of Interest (EOI) for Power Purchase Agreement (PPA) for Wind Power in Aruba**

The purpose of this Invitation is to invite Proponents experts in the energy generation sector (renewable and thermal sources) to express interest in potentially entering a commercial agreement with Utilities Aruba N.V and/or a subsidiary for the construction of a wind park and wind energy supply (Power Purchase Agreement/PPA).

**1. About Utilities Aruba:**

Utilities Aruba N.V. (U.A.) is the holding company for Water- en Energiebedrijf (W.E.B.) Aruba N.V. (WEB), which in turn is responsible for the power generation and water production in Aruba and Naamloze Vennootschap Electriciteit-Maatschappij Aruba (N.V. ELMAR), which is responsible for the energy distribution and commercialization in Aruba. For the purposes of this EOI, U.A., WEB and N.V. ELMAR are hereinafter referred to together as the U.A. Group.

U.A., which will most likely serve as the initial contracting party in connection with these projects, has the duty of ensuring that electricity is provided in a reliable manner through and by its subsidiaries, contributing to the general welfare and the sustainable future of Aruba, maximizing the benefits and minimizing the social, environmental, and economic impacts. The subsidiaries of U.A. provide electricity to approximately forty-five thousand (45.000) customers, with nearly five hundred and fifty (550) employees and a net worth value of three hundred and twenty-eight million five hundred thousand United States dollars (US\$

328.500.000,00).

The current energy policy of the Government of Aruba aims to reduce the Green House Gases (GHG) emissions of Aruba. Based on this, U.A. and its subsidiaries are committed to reduce their GHG emissions, the current cost of electricity, known as affordability from the point of view of U.A., and improving the current reliability of the power generation system at the same time, whilst taking into account the general interest of the companies forming part of U.A. Group.

## **2. Background:**

Aruba has a vision, namely, to not be driven by a sudden change, but to be the driver and lead the transition to a world free of GHG by 2050 in compliance with the Paris Agreement ratified by the Parliament of Aruba in 2016. Aruba has the expressed target of achieving zero GHG by a radical change of the energy matrix and the way how it is used. This means in other words that by 2050 Aruba should aim to fully rely on renewable energy as the main energy source for all sectors of the country. This ambitious target can only be done in a responsible and rational way, not putting in danger the living standard of Aruba nor the energy security of the island.

Currently Aruba's power generation system depends highly on the use of heavy fuel oil with reciprocating engines. One path to reduce GHG emissions is the increment and integration of renewable energy resources, such as wind farms, into the existing energy grid. However, reliability is important so the proposals that include systems or solutions that help achieve this goal will be considered and evaluated.

## **3. Objective of this EOI:**

U.A., in line with the objectives laid down in the energy policy of Aruba, is

committed to rapidly scale up renewable power generation in Aruba. Accordingly, U.A., in consultation with its subsidiaries, hereby issues this EOI inviting experienced and qualified developers to express their interest and capacity to (i) design, construct, install, own, operate and maintain energy resources, installed at designated sites across the island of Aruba, and (ii) carry out the sale and purchase of energy to the U.A. Group, made available by such resources, during a supply period of up to fifteen (15) years.

The commercial operation date for the project envisioned through this EOI should be achieved in no more than twenty-four (24) months from the date on which a Proponent is selected and a contract is agreed upon between parties. One of the preferences of the U.A group is to have a proposal in which commercial operation can be achieved within a shorter timeframe.

#### **4. Scope:**

Proponents shall evaluate the available land for the new wind park located at Rincon, Aruba with a total dimension of 456,000 m<sup>2</sup> approximately. A detailed information with coordinates will be sent by email to those that register to participate in this EOI. Proponents and/or its/their subcontractors, as applicable, should be experienced and qualified in the matters under the proposed PPA.

This EOI is intended to explore and determine the interest from parties for the works under the proposed PPA, and thereby conducting also a non-binding market assessment.

Future activity should observe local environmental legislation and regulations and observe industry best practices on 'Environment, Health and Safety (EHS)' and should at all times observe the Kingdom of the Netherlands foreign affairs policy as well the

economic and trade sanctions maintained by the US Office of Foreign Assets Control.

In the EOI, proponents should indicate the intended Original Equipment Manufacturer (OEM) and the model of the wind turbines. In case that more than one model of wind turbines could fit to reach this EOI goals, Proponents may provide more than one proposal to be evaluated.

Proponents will be allowed to suggest, in their EOI, additional elements that increase the reliability of the electricity system. Additionally, the proposals including grid stability solutions, will be considered as well as frequency response, regulating capacity or operating reserves.

Proposals should include a description of the system to be installed. The proposals should include an indicative/preliminary PPA price, which should include all the relevant cost for the construction (soil treatment, foundations, equipment, interconnection) and operation & maintenance of the park (main and small overhauls, preventive, and corrective maintenance, etc.). In other words, the proposed “preliminary” price should be the sole payment that the Proponent would receive under the PPA. The preliminary energy charge shall be indicated in \$/kWh.

In the estimation of prices, Proponents shall consider that the existing Wind Park of 30MW (locally known as Vader Piet) will have priority of dispatch over the new park, during the operation. This will apply until December 31<sup>st</sup>, 2029, which is the date on which Vader Piet is scheduled to be decommissioned.

#### **5. Registration to participate and Process:**

The process for this request of proposals process starts with this EOI.

Process for registration to participate:

Interested parties will have to register to participate in this EOI process. Registration

by all interested parties is done by email to U.A. at the following email address:

[EOI-UA@newleafaruba.com](mailto:EOI-UA@newleafaruba.com)

- a. All interested parties will have to send an email to NewLeaf Notary through the email hereabove, for its registration and Newleaf Notary will send the proponent the link to do the registration and Registration Fee's payment. The EOI Registration Fee will be five hundred United States dollars (US\$ 500,00). The Subject of the email shall be: "EOI for PPA for Wind Power Aruba – [PROPONENT'S NAME]"
- b. Newleaf Notary receives registration form plus fee
- c. Newleaf Notary sends proponent an email which will include the information that the proponent needs to insert in a unique Drop Box link number 1 that will be provided in that same email.

The following information needs to be included in "Dropbox 1" by each Proponent in pdf format:

- i. a certified copy of the passport and proof of residency of the company's contact person for this EOI process;
- ii. a certified copy of the articles of incorporation;
- iii. (if applicable) a certified copy of a certificate of incumbency of which it appears who is authorized to represent the company;
- iv. a certified copy of a certificate of good standing;
- v. a certified extract of the trade registry of the Chamber of Commerce (in country of origin) of the company of which it appears who is authorized to represent the company;
- vi. a certified copy of the shareholder register and proof of stock listing if applicable;
- vii. a certified copy of the passport and proof of residency of the director(s) of the company.

Please note that all interested parties will receive their own link to "Dropbox 1".

- d. Newleaf Notary checks information within 3 business days and reverts back to

proponent for more information OR sends proponent a drop box link 2, in which Proponents will find the full set of "EOI Document and Appendices" including the "Respondent Form".

e. Newleaf Notary collects all information till deadline of October 1<sup>st</sup>, 2022 at 8:00am (Aruba time)

f. Newleaf Notary will open Dropbox

g. Newleaf Notary makes an official report listing all proposals and presents this to U.A.

Once the preliminary proposals are received and assessed by U.A., U.A. will evaluate what is the configuration that better fits in the PPA plans and will continue the process with the selected companies.

The process in short is as follows:

1. EOI Released to Public
  - a. Notice of Intent to respond deadline
  - b. Request for Clarification submittal deadline
2. EOI submission deadline
3. Evaluation EOI and short list

## **6. Submission of EOI**

Interested parties are requested to submit information, complete in all respects following the structure below:

Section One	Executive Summary
Section Two	Corporate Structure
Section Three	Technical and Operational Capability
Section Four	Financial Capability

## Section Five Other Criteria and Additional Capability

Detailed instructions for each part will be included in Dropbox Link 2 for registered participants.

### **7. Contact information and Clarifications Deadline:**

Every clarification, suggestion or question related to the elaboration of this EOI can be directed to NewLeaf Notary by email at [EOI-UA@newleafaruba.com](mailto:EOI-UA@newleafaruba.com) before September 15<sup>th</sup>, 2022 till 8:00 am (Aruba time). Every answer will be public for every Proponent who has acquired the EOI document.

The "Respondent Form" must be uploaded by registered parties to their "Dropbox 1". No submissions should be made to U.A. directly.

The final date and time for uploading the proposal including the "Respondent Form" to "Dropbox 1" is October 1<sup>st</sup>, 2022 at 8:00am (UTC-4) at which time the link to "Dropbox 1" will automatically expire.

The submission file name should clearly state “<company name> – Response EOI-for PPA for Wind Power Aruba”.

The opening of "Dropbox 1" will be done by Ms. Chamila A. Tromp, civil law notary at NewLeaf Notary on October 1<sup>st</sup>, 2022. The time and place will be announced later.

U.A. will not accept oral questions and will respond to all questions and requests for clarification in writing via the aforementioned email. Clarification questions will only be answered in writing. All interested parties may periodically receive an overview of these questions and the corresponding answers or additional information if necessary.

### **8. Disclaimer:**

- i)** The information contained in this EOI or subsequently provided to Proponents, whether verbally or in writing or any other form by or on behalf of the U.A., its representatives, officers, employees, advisors, subsidiary companies, or any other stakeholders providing assistance to U.A, is provided on the terms and conditions set out in this EOI and such other terms and conditions subject to which such information is provided. Oral explanations or oral instructions from U.A., its representatives, officers, employees, advisors, subsidiary companies, or any other stakeholders providing assistance to U.A, shall not be considered binding and no rights can be derived from oral explanations or instructions.
- ii)** This EOI is not an agreement or an offer by U.A. or any of its affiliates to the Proponents or any other person. The purpose of this EOI is to provide Proponents with information that may be useful to them in preparing and submitting their proposal.
- iii)** While U.A. has taken care in the preparation and presentation of the information contained herein, neither U.A., its representatives, officers, employees, advisors, subsidiary companies or any other stakeholders providing assistance to U.A. warrant or makes any representation, express or implied, as to the accuracy or completeness, for any purpose, of the information contained in this EOI and/or any information which may be provided in connection herewith by or on behalf of the Government of Aruba, its representatives, officers, employees, advisors, subsidiary companies or any other stakeholder providing assistance to U.A. This is an EOI only and not a procurement and is issued solely for the purpose of information and planning. It does not constitute an obligation to issue a RFP or any other procurement for the future. This EOI should not construed as being a contract or an obligation to enter into a contract and it further does not commit U.A. to enter into any contract whatsoever. U.A. will not pay or be held liable for any payment related to any information or administrative cost incurred in response to this EOI. All cost



associated with responding to this EOI will be solely borne by the interested party. Not responding to this EOI does not preclude participation in any future EOI or any other procurement, if issued.

- iv)** Any and all costs or damages incurred by any person in relation to this EOI and/or its proposal, is the sole responsibility and for the sole account of such Proponent. U.A., its representatives, officers, employees, advisors, subsidiary companies, and any other stakeholder providing assistance to U.A. shall not, directly or indirectly, have, assume or incur any responsibility or liability for these costs or for any damage or claim related to any and all aspects of the EOI process.
- v)** U.A., its representatives, officers, employees, advisors, subsidiary companies or any other stakeholders providing assistance to U.A. shall not be liable to any person, including any Proponent, under any law, statute, rules or regulations or tort, principles of restitution or unjust enrichment or otherwise for any loss, damages, cost or expense which may be suffered or incurred or which may arise from or on account of any information contained in this EOI or otherwise deemed to form part of this EOI or arising in any way by participating in this process.
- vi)** This EOI includes statements, which reflect various assumptions and assessments arrived at by U.A. in relation to the PPA. Such assumptions, assessments and statements do not purport to contain all the information that each Proponent may require. This EOI may not be appropriate for all persons, and it is not possible for U.A., its representatives, officers, employees, advisors, subsidiary companies, and any other stakeholders providing assistance to U.A. to consider the investment objectives, financial situation and particular needs of each party who reads or uses this EOI. The information contained herein is not intended to be exhaustive. Proponents shall not rely

solely on the information provided in this EOI, but shall conduct their own research, investigations, inquiries and analysis and shall verify the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments, statements and information contained in this EOI and obtain independent advice from appropriate sources.

**vii)** Information provided in this EOI to the Proponents is on a wide range of matters, some of which depends upon interpretation of law. The information given is not intended to be an exhaustive account of statutory requirements and shall not be regarded as a complete or authoritative statement of law. U.A. accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on law expressed herein.

**viii)** U.A. reserves the right to, at its sole discretion, without incurring any liability and without the obligation to provide any reason, to:

- update, amend, supplement or cancel any part of this EOI document at any time;
- modify or cancel the EOI process at any time;
- reject any or all Proposals without providing any reason whatsoever and to seek new Proposals;
- evaluate the Proponents' written and/or oral representations as to their veracity, substance and relevance to the subject of this EOI document, including seeking and evaluating independent information on any Proponent;
- refrain from pursuing the energy project itself;
- contact the equipment original manufacturer (EOM) to evaluate and/or verify the information provided by the Proponent.

**ix)** The issuance of this EOI does not imply that U.A. is bound to select a Proponent or to appoint the successful Proponent for the Project.

**x)** The criteria included in the EOI document and appendices are not exhaustive.

In assessing a submission, U.A. may at its discretion consider any other factor considered appropriate and relevant.

- xi)** Any and all costs or damages incurred by any Proponent in relation to this EOI process and/or its Proposal, including but not limited to preparation, copying, postage, delivery fees, guarantees, securities, expenses associated with any demonstrations or presentations which may be required by U.A., are the sole responsibility and are for the sole account of such Proponent. U.A., its representatives, officers, employees, advisors, subsidiary companies, and any other stakeholder providing assistance to U.A. shall not, directly or indirectly, have, assume or incur any responsibility or liability for these costs or for any damage or claim related to any and all aspects of the EOI process.
- xii)** The Proponents shall not offer any gratuities, favors, or anything of monetary value to any representative, officer, employee, advisor, subsidiary company of U.A. or any other stakeholder providing assistance to U.A. for purposes of influencing evaluation of a Proposal.
- xiii)** All documents, conversations, correspondence, multimedia, etc. between U.A., its representatives, officers, advisors, subsidiary companies, and any other stakeholder providing assistance to U.A. and Proponents are public information subject to local law and regulations, unless specifically identified otherwise.
- xiv)** U.A. reserves the right to do a comparative evaluation on any submissions received and to evaluate it based on considerations which according to U.A. would generate the best value for Aruba.
- xv)** U.A. shall be entitled, at its sole discretion, to waive any irregularity, informality, or non-conformance with these instructions in any submission received by U.A. or to reject any submission containing any such irregularity or non-conformity.

**xvi)** The laws of Aruba shall be exclusively applicable to all acts under or related to as well as the interpretation of this EOI Process. Any and all disputes arising out of or in connection with this EOI shall be submitted exclusively to the court in first instance of Aruba and its appellate court. By participating in this EOI process, all parties irrevocably accept the aforementioned disclaimer and conditions.