

COMMONWEALTH UTILITIES CORPORATION

REQUEST FOR PROPOSALS - CUC-RFP-07-015

GRID SUPPLY RENEWABLE ENERGY GENERATION PROJECTS FOR CNMI

Questions & Response – May 6, 2008

I. Letter – Commonwealth Industrial Supply Co., Inc. received on April 30, 2008

Dear Sirs:

The following are our questions in regards to the above referenced bid:

Question 1. Questions regarding site conditions:

- a. What is the highest 3-sec extreme wind recorded in Saipan?
- b. Please specify details such as:
 - i. Maximum wind speed
 - ii. Direction
 - iii. Other informationPlease provide information for the past 20 typhoons which hit Saipan within a 50km radius?
- c. What does the regulative body require with regard to design load (wind speed in meters/second) for a wind turbine structure?

CUC Response 1:

Please read the Request for Proposal (RFP) - page 9, clause 2.2. CUC has not conducted any wind study or is in possession of the information in the request items 1a and 1b.

1c. The permitting is within the scope of the proposer. The CNMI Department of Public Works requires permits prior to any construction activity. Structures and buildings constructed in the CNMI must have a building permit that certifies the structure complies with regulations outlined in the Uniform Building Code (UBC) and the CNMI Building Safety Code. CUC power poles are designed for an installation to withstand wind speeds up to 155 miles per hour (69.3 m/s). Please also refer to section 2.3 of the RFP.

Question 2. Will CUC allow for say a 2 years wind study + 1 year project construction prior to project commissioning and operation with a contract clause in adjusting the agreed pricing structure according to the outcome of the wind study?

CUC Response 2: *CUC is not in a position to discuss the post contract terms prior to the closing of the RFP. The proposer is requested to submit the most appropriate project schedule based on the equipment and intended location for the project.*

Question 3. Will CUC accept that New and Renewable Energy (NRE) facility is dependent on the wind resource and as such CUC's existing diesel generating sets must act as spinning reserve as well as frequency and voltage control regulation because of the intermittent character of the NRE?

CUC Response 3: *CUC is not in apposition to discuss the post contract terms prior to the closing of the RFP. The RFP does not specify only the wind as the renewable source. Please refer to the definition, listed in clause 2.1.8.*

Question 4. Will CUC provide land for the NRE generating facility?

CUC Response 4: *No. Please refer to clause 3.1 of the RFP.*

Question 5. Will CUC provide for local permitting and approvals?

CUC Response 5: *No. Please refer to CUC response # 1, above.*

Question 6. Will CUC agree for:

- i. A sovereign guaranteed KWH minimum energy offtake for a 20 years cooperation period.
- ii. Priority dispatch schedule for the NRE.

CUC Response 6: *Proposers are requested to suggest what they think is the best approach, based on the equipment, type of renewable resources and other requirements as specified in section 3.0 – Proposal Submittal.*

Question 7. Will CUC provide for the transmission inter-connection of the NRE to the CUC Grid?

CUC Response 7 - *Please provide details in your proposal as noted in clause 3.1 - Proposal Instruction.*

Sincerely,
John C. Jones
/sgd/

II. Email Questionnaire

----- Original Message -----

From: [pinchin](#)

To: [Manny Sablan](#)

Sent: Wednesday, April 30, 2008 11:21 AM

Subject: Provide information

Dear Sablan;

Question 8. We hope to understand some information in Saipan, please provide:

- (1) Light fuel oil?price?
- (2) Natural gas?price?

(3)Heavy fuel oil?price?

Best regards,
William(0910-193-183)

CUC Response 8: The fuel used by CUC for power generation is the Diesel Oil No. 2. The invoice for fuel delivery recorded shows that CUC paid an average price between \$3.3 to \$2.9 per US gallon for the three islands (Rota, Tinian and Saipan) in the month of December 2007. We do not use the other fuels you have noted here, for power generation.

ALL INTERESTED PARTIES ARE REQUESTED TO VISIT THE WEBPAGE :
<http://cuccnmi.com/> FOR THE MOST CURRENT POSTING RELATED TO THIS RFP.

***** *Nothing Follows* *****