



RURAL ELECTRIFICATION AGENCY

CALL FOR PROPOSAL FOR MINI-GRID ACCELERATION SCHEME

The Rural Electrification Agency, with support from the European Union and German Government through the Nigerian Energy Support Programme (NESP) (-a programme implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) in collaboration with the Federal Ministry of Power, Works and Housing), hereby invites reputable and interested renewable energy developers to submit proposals for isolated mini-grid projects from the 11th of February 2019.

1. SCOPE OF WORK

Design, construction, commissioning, operation and maintenance of isolated mini-grids up to 1MW across the six (6) geopolitical zones of Nigeria. Each geopolitical zone represents a lot in the Mini-grid Acceleration Scheme.

The aforementioned projects when completed are to be operated on a commercial public-private-partnerships arrangement, based on a sustainable business model in remote rural and unserved communities in Nigeria where such project (s) would have been economically unviable without this intervention. Support shall be provided only to firms whose proposals meet the requirements.

2. ELIGIBILITY REQUIREMENTS

2.1. Proposals will be assessed based on the following eligibility criteria:

- i. Applicant is incorporated as a for profit company in Nigeria.
- ii. The applicant does not have any tax dues.
- iii. The applicant must hold valid Competency Certificate as an Electrical Contractor issued by the Nigerian Electricity Management Service Agency (NEMSA).
- iv. The applicant must comply with the Pension Reform Act 2014.
- v. The applicant must comply with the Industrial Training Fund Amendment Act 2011.
- vi. The applicant must be registered on the BPP National Data base of Federal contractors, consultancy and Service Providers.
- vii. The applicant must be compliant with the Nigerian Social Insurance Trust Fund (NSITF).
- viii. The bidder must provide proof of commercial insurance and mini-grid project insurance coverage.
- ix. The applicant must provide proof of a positive credit report.
- x. The applicant must demonstrate that outstanding loans are repaid in timely manner.
- xi. The applicant must have a valid bank account.
- xii. The applicant must provide evidence of bank statements and audited financial statements.
- xiii. The applicant must have received mini-grid-specific technical training and/or assistance from a reputable organisation.
- xiv. The applicant must have experience with similar projects.
- xv. The applicant must provide evidence that at least one of its existing projects is performing as expected.
- xvi. The applicant must provide proof that key management staff has sufficient experience with mini-grids.
- xvii. The applicant must have access to inventory relevant to the project in terms of tools, vehicles, machines, etc. required for construction and installation of the project assets.
- xviii. The applicant must have a COREN registered engineer on its team.
- xix. The applicant must prove that all sites are developed with an exclusivity agreement drafted according to the template provided by NERC.
- xx. The applicant must provide an overview of all organisations involved in the project.
- xxi. The technical design must meet the minimum technical specifications.
- xxii. The tariff proposed in the Odyssey financial model shall be compliant with NERC's mini-grid MYTO.
- xxiii. The KeyMaker Model must be based on sound market data.
- xxiv. The applicant must prove that the KeyMaker product will find a market.
- xxv. The signatory of the tender documents must be authorized by the company to apply the signature.
- xxvi. The applicant must commit to statements and declarations via a sworn affidavit.
- xxvii. The applicant must prove that Lot contains a minimum of 4,000 total connections.
- xxviii. The applicant must prove that by the end of July 2020, the bidder will have connected an effective 3,500 customers.

2.2. All prospective applicants are to submit evidence of the following on the Odyssey Energy Solutions Platform:

- i. Certificate of Incorporation with Corporate Affairs Commission (CAC) with copies of Forms CAC 1.1, CAC 2 or CAC 2A (as the case may be) showing the shareholding structure and CAC 7 or CAC 7A (as the case may be) showing the directors of the bidding company attached.
- ii. Three (3) years Tax Clearance Certificate (2015, 2016 and 2017) expiring 31st December 2018.
- iii. Competency Certificate to operate as Electrical Contractor issued by the Nigerian Electricity Management Services Agency (NEMSA).
- iv. Certificate of Compliance with the Pension Reform Act 2014 issued by the National Pensions Commission (PENCOM), valid till 31st December, 2018.
- v. Certificate of Compliance with the Industrial Training Fund Amendment Act, 2011, valid till 31st December, 2018
- vi. Evidence of registration on the Bureau of Public Procurement National Data Base of Federal contractors, consultants and service providers, valid till 30th June, 2019 or valid Certificate issued by BPP.
- vii. Certificate of Compliance with Nigerian Social Insurance Trust Fund (NSITF), valid till 31st December, 2018.
- viii. A list of insurance coverage and policies on all entities relevant to the bid and existing mini-grid project.
- ix. Credit report of the project company from a credit bureau for at least the last 3 years (2016 – 2018).
- x. For any entity that has any loans outstanding - letters from all banks with the status, terms, amount remaining and standing of the project company.
- xi. Bank reference letter.
- xii. Bank Statement of Accounts for immediate past Six (6) Months (August 2018 - January, 2019) and Audited Accounts for 2016 and 2017, signed and stamped by a certified Auditor and most recent year's management financial accounts (2018). In the case of a new subsidiary company, provide the financial statements of the parent company.
- xiii. Certificate(s) of competence in accordance with the Nigerian Competency Standards for Clean Energy for mini-grid design for at least 2 staff, obtainable through training from a qualified local training institute approved by NESP or proof that the company received technical assistance on mini-grid project development provided by a donor-funded programme such as NESP through its Mini-grid Guided Idea Competition or the Green Mini-Grid Help Desk.
- xiv. Verifiable documentary evidence of at least one (1) contract of similar nature executed in the last 5 years. (Please attach Letters of Award together with Interim, completion or payment certificates) including evidence that the firm has deployed and operated a solar mini-grid or several mini-grids with a minimum cumulative capacity of 20 kWp in Nigeria for at least 6 months, in the last five years.
- xv. Letter of satisfaction from the respective State Government for, at least, one of the mini-grid projects deployed by the bidder.
- xvi. Passport copies and duly signed CVs of management involved in leadership, financial and technical components of the project.
- xvii. Evidence of ownership or assured access to relevant inventory (tools etc.) for execution of a rural electrification project, by way of a recent equipment audit statement.
- xviii. Evidence that one of the key personnel of the company is a COREN registered Engineer.
- xix. NERC's exclusivity agreement for all targeted sites.
- xx. Listing of all shareholders, directors and percentages of ownership of all beneficial owners of all entities involved in the project, and organisation chart of the project company and all companies related to the project.
- xxi. Evidence that the proposed project meets the minimum technical specifications regarding the mini-grid equipment to be procured and project design in line with the objective of reliability in the electricity service as mentioned in the Annex of the Call for Proposals and NERC Mini-grid Regulations, 2016.

- xxii. A fully filled NERC mini-grid MYTO tariff calculation tool showing the tariff to be applied.
- xxiii. Market data including reference to data resources regarding the KeyMaker activity.
- xxiv. A co-signed letter of intent with a partner company for deployment of the KeyMaker activity. Note that the KeyMaker Model should be applied at a minimum of one site per portfolio, and that several letters of intent are required in case of several partners.
- xxv. Evidence that the applicant company has an authorized signatory to sign documents and commit the applicant to any contract with REA (Properly executed Power of Attorney or Board Resolution with a passport-size photograph of the authorized person in the same file).
- xxvi. Accurately filled sworn affidavit confirming the following:
 - a. Any insurance claims made in the last 24 months.
 - b. Declaration of Operations (Declaration stating that, in addition to developing the project, the applicant (if selected) will also operate it or that the applicant has found another eligible and capable entity that will operate the project on its behalf in which case the entity of the third-party operator must be indicated in the Proposal and shall submit a written statement of the same, as well as proof that it is capable of fulfilling the tasks of an operator).
 - c. Declaration of grant benefits (Declaration stating that the proposed project had not already benefitted from any grant from any local or international public or private entity).
 - d. Statement of obligations/liabilities.
 - e. Statement of professional conduct.
 - f. Statement of liquidity.
 - g. Statement of interests.
 - h. Statement of Genuity.
 - i. Statement of authorisation.
 - j. Statement that all equipment to be supplied shall be in conformity with minimum technical specifications in line with the Annex to the Call for Proposal and NERC Mini-grid regulations 2016.
- xxvii. Portfolio submission on Odyssey Platform must be for a minimum of 4,000 total connections.
- xxviii. Implementation plan to outline that at minimum 3,500 customers will be effectively connected by the end of July 2020.

3. SUBMISSION OF PROPOSAL DOCUMENTS

3.1. Instructions for registration:

- i. Register your company on REAs website (<http://rea.gov.ng/rea-ref-mas-2nd-call-proposals/>).
- ii. Login information to the Odyssey Energy Solutions Platform will automatically be sent to the email ID used for registration. Odyssey Energy Solutions will be used as the tender platform for the Scheme including the selection process (from the stage of the Call for Proposals) as well as monitoring process of the awarded projects.

3.2. Instructions for submission of proposal documents on the Odyssey Platform:

1. Create and fill a project for each mini-grid site to be submitted on the Odyssey platform (<https://rearef.odysseyenergysolutions.com>)
2. Each project (prior to bundling as portfolios) needs to contain the following information:
 - i. Site and survey data
 - ii. Load forecast
 - iii. Generation design done with Homer
 - iv. Distribution design (file format for uploading is .kml/.kmz)
 - v. Financial information
3. Bundle projects in portfolios, with one portfolio representing your submission for one lot only. Note that each portfolio/lot should contain a minimum of 3,500 connections to be eligible. The applicant must prove that the project will deliver 3,500 connections by July 2020. Please name your portfolio with the following nomenclature: "Name of Geopolitical Zone, Name of Developer"
4. Submit each portfolio/lot separately. After bundling as portfolios/lots, the following needs to be filled/attached for each portfolio:
 - a. All documents required under the section "eligibility criteria"
 - b. Business plan as per the sample text boxes provided through the Odyssey Platform prior to submission of the portfolio - you can copy and paste business plan answers from one portfolio to another. Please do not attach any business plan to the submission, answers to the business plan should purely be filled using the Odyssey Platform.
 - c. Financial model using the Odyssey Platform - Note financial models will be submitted for each portfolio separately. Financial models can be downloaded from Odyssey. Some of the input needs to be made on Odyssey, while other input, e.g. information on the KeyMaker Model, needs to be completed after downloading the financial model. The model with all complete input information then needs to be uploaded again. Please refer to the Odyssey user guide for instructions on how to fill the financial data for this call.
 - d. A filled MYTO tariff tool to justify chosen tariff attached to the data room. The MYTO tariff tool should be obtained/downloaded from the Odyssey Platform.
 - e. Data sheets and manufacturers certificates for the proposed technical products to be attached to the data room
 - f. Project Implementation Plan outlining that at minimum 3,500 customers will be effectively connected by the end of July 2020. Applicants are free to submit additional information as numbered annexes by uploading them to the data room

4. CLOSURE OF TENDER

Candidates shall submit their application no later than 10/04/2019 at 11:59 pm (WAT). Any application received later than the mentioned date will not be considered. Please submit all documents exclusively via Odyssey Energy Solutions (<https://rearef.odysseyenergysolutions.com>). Note that Odyssey offers the option to check your proposal for completeness (not for quality of content) if you submit it on the platform one (1) week prior to the submission date.

5. IMPORTANT INFORMATION

- 5.1. Failure to provide any of the documents listed in 2.2 (i-xxviii) above shall lead to disqualification
- 5.2. Submission of fake documents may lead to prosecution as all documents submitted will be referred to the issuing authorities or security agencies for verification.
- 5.3. Each applicant is permitted to apply for all lots but can only be awarded for a maximum of two Lots. Applicants must indicate their two preferred lots in case they apply for more than two lots.
- 5.4. The Agency reserves the right to verify all claims including those relating to previous experience and any claim found to be false shall lead to instant disqualification.

6. DISCLAIMER AND CONCLUSION

- 6.1. This advertisement is published for information purposes only and does not constitute an offer, commitment or obligation by REA to transact with any party, nor entitle any Applicant to make any claims whatsoever or seek any indemnity from the REA.
- 6.2. REA shall not be responsible for any costs or expenses incurred by any interested party in connection with the preparation of documents or submissions made in response to this invitation or in response to any inquiry or clarification arising from this exercise.

7. ENQUIRIES

All enquiries and requests for clarification regarding this invitation may be directed to:

Executive Director (Rural Electrification Fund)
The Rural Electrification Agency
Corporate Headquarters
22, Freetown Street, Wuse 2, Abuja
ref.info@rea.gov.ng
<https://rearef.odysseyenergysolutions.com>

Signed
Management

ENERGY=EMPOWERMENT=EFFICIENCY