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Sector: General - Energy and Extractives

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Loan N°./Financing:

Project: Energy Management and Efficiency Programme (EMEP)

Title: Project Awareness Campaign

Borrower/Bid No:

Energy Performance Contracting (EPC) Projects
under the Energy Management and Efficiency Programme (EMEP)

Project Awareness Campaign

Project Description:

The Government of Jamaica (GOJ) is benefiting from a loan financing from the IDB and Japan International Cooperation Agency (JICA) in the amount of US$30 Million and grant support from the European Union Caribbean Investment Facility (EU-CIF) in the amount of US$10 Million, to promote energy efficiency and conservation in Jamaica by reducing electricity consumption in public facilities, improving traffic flows in congested road corridors in the Kingston Metropolitan Region, and enhancing the capacity of Ministry of Science Energy and Technology (MSET) to improve electricity sector planning.

The general objective of this Energy Management and Efficiency Programme (EMEP) is to promote energy efficiency in government facilities and fuel conservation in road transportation by contributing to the avoidance of fuel imports.

One of the components of EMEP is the Deep Retrofit of 30 facilities, which includes government facilities (hospitals, public agencies and schools) under an Energy Performance Contracting approach using a guaranteed savings scheme and a cost-plus approach. Under an EPC arrangement an external organisation (ESCO) implements a project to deliver energy efficiency, or a renewable energy project, and uses the stream of income from the cost savings, or the renewable energy produced, to repay the costs of the project, including the costs of the investment.

Awareness Campaign Objective:

This document is meant to inform potential interested parties about the project and expected procurement process.

Anticipated Total Budget, Number of Packages and Eligibility:

- First Package: USD 9.3 million, EU grant, EU eligible countries, as well as IDB member countries.

- Second Package: USD 16.3 million, IDB/JICA funds, EU eligible countries, as well as IDB member countries.
- Total: USD 25.6 million.

Eligible Countries:

Interested parties should be members of the eligible countries as shown in Appendix II.

Potential EE/RE Measures that can be considered by Bidders:

- Additional control systems, building envelope improvements, lighting retrofit, air conditioning retrofit, ventilation optimization, combined cooling, heating and power (CCHP), solar PV systems, energy storage system, etc.

1. **First Package - Deep Retrofit of 7 Government Hospitals**

The procurement process for the first package will be based on an international competitive bidding process that will be based/evaluated on a quality and cost effectiveness approach (using a cost plus approach). The cost plus approach will entail selecting the ESCO with the best qualitative proposal (similar project experience, technical experts, project manager, local team, etc.) and the best financial offer (based on the evaluation of the overhead cost to be applied on the total project cost).

The selected winner will have to complete Investment Grade Audits (IGA) in all facilities and propose a detailed scope of works for each one. Selecting the most appropriate measures to be implemented will be negotiated with the winning firm based on anticipated benefits and cost ratio). The winning firm will also be expected to define and implement a strategy to measure the energy savings for the different ECMs to be implemented.

Anticipated Timelines:

The procurement process for the first package is expected to follow the following timeline.

- Procurement process launch date: January 14, 2022
- Deadline for submission of proposal: March 8, 2022
- Deadline for contract signature: July 29, 2022
- Deadline for completion of project: March 2023

2. **Second Package – Deep Retrofit of 23 Government Facilities**

The procurement process for the second package will undergo the international competitive bidding process with multistage selection including Pre-Qualification, Preliminary Proposal and Full Proposal (technical and financial) using an Energy Performance Contracting approach as used by ESCOs.

Invitation for Pre-Qualification:

- Interested bidders to submit first their interest in bidding for the procurement.
- Information to be provided will include:
    - Similar project experience.
    - The qualification of the proposed project manager and project team.
    - The qualification of a proposed the local partner and level of involvement.
    - International experience.
    - Demonstration of financial capacity to support the guaranteed savings.
    - Gender equality considerations.

1st Stage – Preliminary Proposal:

At the first stage of the proposal, the bidders will submit a project implementation methodology through a mix of international and local presence, including technical experts, project manager, local team, proposed Investment Grade energy audit methodology, M&V methodology, gender issues, etc. The top 3 ESCOs will be selected based on criteria and points attributed to each category.

2nd Stage - Full proposal (Technical and Financial)

The best rated ESCOs will present a full proposal based on a guaranteed savings approach after visiting all sites targeted by the project. Information to be provided will include:

- List of ECMs to be implemented per targeted building.
- Guaranteed level of cost savings per facility and total based on a maximum total project cost available.

The bidder proposals will be evaluated based on the most advantageous bid:

- The highest amount of global savings guaranteed per targeted package.
- The winner will be the bidder with the highest note combining the technical proposal and the highest level of guaranteed savings.

Anticipated Timelines:

The procurement process for the second package is expected to follow the following timeline.

- Pre-qualification process launch date: February 8, 2022
- Deadline for submission of pre-qualification: March 24, 2022
- Launch of request for proposal, 1st stage, for pre-qualified bidders: May 4, 2022
- Deadline for submission of proposal, 1st stage: June 30, 2022
- Selection of Top 3 ESCOs: July 22, 2022
- Launch of 2nd and final stage request for proposal: July 25, 2022
- Survey of facilities, proposals: July - September, 2022
- Deadline for final technical and financial proposals: October 3, 2022
- Deadline for contract signature: March 6, 2023
- Project conclusion: May 16, 2024

Complementary information:

Information to be provided at the Full proposal level:

- Baseline information (energy invoices, list of installed system and equipment, type of usage, etc.)
- Electrical and structural assessments reports to be provided by the PEU at the bidding stage.

Official Bid Information

Information on the procurement opportunities will be provided on the GOJ procurement website at http://www.gojep.gov.jm, UNDB website https://devbusiness.un.org/ and IDB website: https://projectprocurement.iadb.org/en/procurement-notices.

Disclaimer:

This document is for information purpose only; nothing presented herein is part of the procurement process and does not bind the IDB, JICA, EU-CIF or MSET to any commitment.

Attachments:

https://devbusiness.un.org/system/files/6317%20Jamaica%20-%20ESCO%20Procurement%20-%20Awareness%20Document%20-%20Website%20version-

%20January%206%202022%20%28002%29.docx