

GASIPPPP BW1 INFORMATION SHARING QUESTIONS

No	Query	Response
1.	<p>Clause A.8.3 in the PPA states that there is a maximum price for gas. Can you please explain how this works? Does this apply for LNG that is used and consumed in the power plant? LNG doesn't operate on a "rate of return" model and hence any cap imposed is going to be prohibitive for any LNG seller managed this exposure in the upstream LNG contract.</p>	<p>Bidders are required to take note of clause A.8 (Fuel Indexation) of Schedule 9 (Calculations of Payments) in the PPA. Bidders are requested to propose indexation linked to Brent and or Henry Hub and or NBP prices.</p>
2.	<p>ToP obligation should be linked and equate to the Monthly Dispatch commitment for that month. One cannot be in a scenario where during a month there is a Monthly Dispatch Commitment of e.g. 70% but in case of failure to take the Seller to only get compensated the Min Load Commitment as the RFP suggests.</p>	<p>The amendments to clause 6.4 Vol 2 Part 3 (Legal Agreements) introduce a new Monthly Dispatch Commitment structure and remove the 5-year revision mechanism. Key changes include, inter alia:</p> <ul style="list-style-type: none"> (i). The Monthly Dispatch Commitment for each month must now fall within a band of 80% to 120% of the Minimum Monthly Load Commitment. (ii). The five-year review cycle and the Buyer's unilateral right to reduce the Minimum Load Commitment to 25% have been removed. (iii). Monthly Dispatch Commitments must be agreed within 3 months (iv). Provisions allowing the Buyer to request dispatch below Minimum Load Commitment are removed (v). All references to the Maximum Load Commitment and related obligations (e.g., indicating availability above Maximum) have been removed
3.	<p>Gas Infrastructure and Fuel Supply Agreement</p> <ul style="list-style-type: none"> - Above is Bidders Risk - Does IPP Office truly believe that ZET (Richards Bay Gas Terminal) can Confirm Infrastructure Pricing And Timelines for Bid Submission by May 2026 (In my Opinion this Risk for Bidders to Take by May 2026 is Highly unlikely since LNG Terminal will not have reached Commercial Close)... speaks to Bankability of RFP with LNG Infra and Fuel Supply Risk with Bidder by May 2026. (Fuel Supply is doable but will have a CP for LNG Infrastructure) 	<p>We encourage bidders to solicit their own relevant advisory on such matters that introduce risk to individual projects</p>
4.	<p>Does the RFP allow multiple bids from same consortiums?</p>	<p>The RFP is site agnostic and follows a competitive bidding process that seeks to procure Capacity, Energy and Ancillary Services from Gas fired new generation facilities while ensuring such procurement achieves value for money.</p> <p>The RFP in its current state allows the same Consortium to submit multiple bids for different projects provided there is compliance with the requirements of the RFP</p>