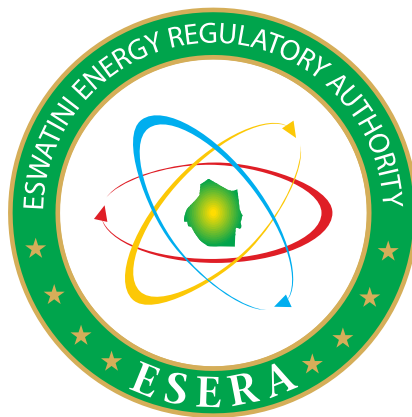


Tender No.: ESERA/RFP/13/2019-2020
Eswatini Energy Regulatory Authority

Request for Qualification

**Procurement of New Generation Capacity in Eswatini
(Second Tranche Procurement Programme)**

Briefing Note No. 01



Date of Issue: 10 October 2020

1 INTRODUCTION

This Briefing Note (“**Briefing Note No. 01**”) is issued pursuant to the Request for Qualification for the procurement of new generation capacity in Eswatini under the Second Tranche Procurement Programme launched by the Eswatini Energy Regulatory Authority (“**ESERA**”) on 07 August 2020 with Tender No.: ESERA/RFP/06/2020-2021 (the “**RFQ**”) and is subject to all the terms and conditions contained therein.

Terms defined in the RFQ and used in this Briefing Note with capitalized initial letters, bear the meanings given to them in the RFP, unless otherwise defined herein.

Item No.	Request for Clarification	ESERA Response
1	Kindly confirm whether a plant that was commissioned more than eight (8) years ago and is still in operation can be utilised to demonstrate experience as a Lead Developer as required in Section 6.2 of the RFQ	Kindly note that ESERA will be moving the experience requirements from the Minimum Requirements of the RFQ to the stage 2 evaluation only. A separate Briefing Note with the details will be issued.
2	Would ESERA consider a time of use tariff in the Second Tranche Procurement Programme.	At this stage ESERA envisions that the plants will be operated as base load plants, therefore a time of use tariff will not be considered. However, as is common with most modern baseload PPAs, the PPA will likely contain weightings for the capacity charge for different seasons to encourage plant availability during times of peak season.
3	Kindly advise whether the entire electrical output of the plant must be sold to the EEC, or can some power be utilised for own consumption. Also, if additional steam is produced by the plant can this be utilised for other processes.	The Projects to be procured under the Second Tranche Procurement Programme are not intended to generate electricity for own consumption therefore ESERA requires the full electrical power output from the plant to be sold to the EEC. However additional steam can be utilised for own consumption provided that it does not compromise electrical power supply to the EEC.
4	Please clarify how the capacity charge will be implemented.	The capacity charge is an Emalangeni per MW (E/MW) rate that is intended to provide for the recovery of the fixed cost components (fixed capital cost and fixed operating cost) of the plant. The capacity payments will be based on the lower of: <ul style="list-style-type: none"> a) the availability declared by the Project Company; and b) the actual availability at the time of operation of the plant It will be calculated on an hourly basis and will be paid monthly to the plant together with the energy payment.