



THE BID SUBMISSION PROCESS

Some Practical Tips

Renewable Energy Trade Mission in KSA
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INTRODUCTION TO BRACEWELL

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We serve the world's leading energy companies as well as major financial institutions, leading private investment funds and governmental entities.

The firm has earned a reputation for delivering practical, cost-effective and relationship-driven client service in the energy sector globally.

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Bracewell's Dubai office named
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- Highly competitive tenders
- Short bid timelines
 - E.g. DEWA IV: 15 January – 5 June
 - Sakaka: 17 April – 2 October

These are with extensions.

MOBILISE QUICKLY

- Appoint advisors early, including lenders' advisor
- Tax, insurance, financial and technical advisors may be required as well
- Identify all long lead items in RFP
 - E.g. some bids may require foreign signatures and documents to be notarized and legalized
- Identify who is responsible for which document, deliverable and workstream required for RFP

FINANCING PARTIES

- Tension – getting lenders onboard versus getting the best terms
- Competitive process
- Appoint lenders' counsel early, even before the lenders themselves
- Lenders' counsel can only go so far without a client

CONSORTIUM ISSUES

- Identify roles
 - Multiple “hats”
 - Remember the big picture
- Separate roles
 - Can team members be dedicated?

PRE-BID CLARIFICATION ISSUES

- Pre-bid clarifications are an opportunity to clarify, not negotiate!

“Dear procurer, we really don’t like position [XYZ] in the documents and plan to change it in our bid for very good reasons. Would that be OK?”

“Dear Bidders. Absolutely not! We meant what we said the first time and we will not agree to let you change it. Any bid that includes a deviation attempting to change this may be deemed to be a non-compliant bid.”

PRE-BID CLARIFICATIONS CONTINUED

- Sometimes you may wish to publicise a cost issue through clarifications so that all bidders make the same assumption
 - People sometimes win through ignorance!
 - This may bring everyone up to a level playing field

LAST MINUTE ISSUES – BID ASSEMBLY

- Expect last-minute issues and changes
- Key signatories/decision-makers should be on hand if possible
 - This is not the best time to be flying
- Single point of responsibility
- Follow instructions in RFP to the letter
- Know who is responsible for what deliverable

LAST-MINUTE ISSUES CONTINUED

- Bids are delivered in person and usually require originals
- Assume the deadline is a hard deadline
- Good idea to deploy a team close to the bid drop off point
 - This may require renting temporary office space with printers and office support
 - Have a van with a driver

POST-BID SUBMISSION CLARIFICATIONS

- Procurers increasingly using the post-bid submission clarifications as a pre-negotiation period
- Puts maximum pressure on bidders and lenders
- Timing can be challenging
- Lenders will still likely not have the benefit of a technical advisor at this time

BID ASSUMPTIONS

- Don't assume that bid assumptions can be traded for changes to the tariff
 - Procurers may ignore bid assumptions
 - Can box you in with your lenders

FORFEITURE OF BID BOND

- Not releasing lenders when not selected as the shortlisted bidder
- Withdrawal of a Proposal after submission during the Validity Period (typically 1 year)
- If selected as First Ranked Bidder:
 - Refusing to or failing to negotiate the draft agreements or technical specifications
 - Refusing to sign project agreements in the form agreed
 - Breaching shareholder and other restrictions
 - Refusing to provide PPA security

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THANK YOU, AND WE WISH YOU ALL THE BEST ON YOUR NEXT BID!



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