



# CO-OPERATIVE REPUBLIC OF GUYANA OFFICE OF THE PRIME MINISTER

## REQUEST FOR PROPOSALS (RFP) - Phase II: Gas to Energy (GTE) Project

The Government of Guyana (GoG) invites qualified firms to respond to a Request for Proposals (RFP) to "*design, finance, and operate,*" Phase II of the Gas to Energy Project, **on the basis of a 20-to-25-year Power Purchase Agreement (PPA).**

Phase II of the GTE is based on:

- A. The GOG securing from EMGL, additional gas to fill the 250 KM 12" pipeline to Wales, estimated to be 75 MMCFD of rich gas. Phase I gas amounts to 50 MMSCFD (40% of pipeline capacity); Phase II gas is projected at 75 MMCFD (60% of the pipeline capacity).
- B. Integrated Power Plant and NGL facility:
- Design, construction, and operation of a 250 MW combined-cycle power plant, to deliver 2,100 GWH of electricity per annum, and sold to GPL (the national electricity company) via a Power Purchase Agreement (PPA).
  - Design, construction and operation of a natural gas liquids facility (NGL's) to produce at approximately 6,000 barrels per day of NGL products (propane, butane, and C5+gasolene), utilizing 75 MMCFD of "rich gas."
  - Transfer to the GOG, at no cost, excess "lean gas," estimated at 30 MMCFD, for utilization in downstream industries, e.g. fertilizer production, to be located at Wales.

Phase II will be located on no more than 100 acres of land, immediately adjacent to the existing 300 MW Integrated facility. The project will be owned and financed 100% by the private sector, under a project finance structure, which will design and construct the integrated facilities, to a standard and specification that meets and or exceeds that of Phase I of the GTE.

Only firms (consortia) adjudged to be experienced in Engineering Procurement and Construction (EPC) and Financing of comparable facilities, will be evaluated. The GOG shall have the right to approve the EPC contract and appoint an independent supervision firm, to ensure that the project is built per the EPC contract and acceptable quality and specifications, pre-approved by the GOG. The existing Employers' Requirements for Phase I along with a template of the EPC contract will be provided as part of the RFP for reference.

Investors will recover their investment from (i) the sale of electricity via a 20-to-25-year term (negotiable) PPA at a price per KWH (ii) monetization of the NGL's. At the end of the PPA term, the entire facilities will revert to the GOG at no cost. Phase II GTE will enjoy the same fiscal incentives as Phase I.

Responses to this RFP, must include financial projections of revenue, expenses, and investments returns using the components below:

- PPA price per KWH, broken down into the following three elements (a) payment for the gas (b) operating and maintenance cost (c) financing/amortization of the capital costs. Indicate the breakeven price and estimated sale price for each year along with an assumed inflation rate.
- Expected revenue from the sale of NGL's (propane, butane, and C5+), and operating and maintenance cost of the NGL plant.
- Three scenarios should be modelled from commercial start-up to end of PPA Term (i) payback per PPA revenue only but entire CAPEX amortization and annual operating costs (ii) payback per NGL's revenue only but entire CAPEX amortization and annual operating costs, (iii) payback based on revenue from both the PPA and NGL's, and

proportionate split of CAPEX and operating costs. Subject to ensuring sufficient revenue to operate the facility and recover the investment at an agreed rate of return, the GOG reserves the right to:

- Buy-out the project (the Guyanese SPV), any-time after the construction and commissioning, at an agreed formula, such that the investor obtains a return of investment and reasonable accrued return based on the stated cost of capital.
- Transfer of the entire volume of NGL's to GOG/GPGI, who will market and distribute with Phase I NGL's, either at zero cost or other agreed value.

Additional submission requirements to the RFP include information with sufficient detail on:

- CAPEX, cost of capital, and capital mix (interest rate, tenure, debt/equity mix) including terms sheets from lenders and financial statements of Project Sponsors for the last 3 years.
- EPC price breakdown, proposed plot plan, and schedule of major vendors and contractors/sub-contractors.
- Project Schedule showing key milestones.
- Local content approach including projected workforce during construction and operations, value of local purchases of goods and services.

The RFP shall incorporate all the above and additional details. A workshop will be convened during the RFP period for registered parties. Interested parties should submit all questions by email as early as possible since these may be addressed at the workshop.

Interested companies shall bear all costs associated with their response to this Request for Proposals (RFP). Interested parties must register, pay a fee of G\$25,000, and obtain an RFP document by contacting the PS-OPM below. Additional details can also be obtained from the email below.

Attn: Permanent Secretary (PS)  
Office of the Prime Minister (OPM)  
205 Camp Street, Georgetown, Guyana  
Email: ps@opm.gov.gy  
Tel: +1-592-225-2602

Responses to this RFP must be received by 9A.M. on January 14<sup>th</sup>, 2025 (**Extended Closing Deadline**) and must be submitted in the tender box, and addressed to:

Chairman  
National Procurement and Tender Administration Board  
(NPTAB)  
Ministry of Finance  
49 Main and Urquhart Streets  
Georgetown, Guyana  
Title: Phase II - Gas to Energy

**The GoG is not bound to accept any response to this RFP and reserves the right to select any Party for any specific element of the RFP and to annul the process at any time without further direction, without thereby incurring any liability to the affected interested parties**