

Rural and Renewable Energy Agency

Securing modern energy access for all Liberians



REQUEST FOR EXPRESSIONS OF INTEREST (Operation and Maintenance of Kaiha 2 Hybrid Mini Grid)

Reference No: RREA/LIRENAP/O&M-01

Issue Date: March 20, 2023 Closing Date: April 20, 2023

A. Background

The Government of Liberia has received financing from the World Bank toward the cost of the Liberia Renewable Energy Access Project (LIRENAP). The project is being implemented by the Rural and Renewable Energy Agency of Liberia (RREA), an autonomous agency of the Government of Liberia with mandate to secure modern energy access for all in Liberia. For details on the RREA, please check https://rrealiberia.org/new/.

A component of LIRENAP appertains to decentralized electrification in Lofa County, Liberia, which mainly involves the construction of the Kaiha 2 hybrid mini-grid with the following characteristics: (i) 2.5MW hydropower plant; (ii) 1.8MW back-up diesel power plant that is about 85 km from the hydropower plant; (iii) 135 km of 33kV distribution lines; (iv) 235 km of low voltage distribution line; (v) at least 10,317 service connections to provide access to electricity for about 50,000 people, including small businesses, associations, and public institutions in Lofa County. The aforesaid component is ongoing, with part commissioning of the mini-grid (only back-up diesel plant and distribution network) expected by October 2023.

Accordingly, the RREA intends to contract a private firm with required technical and financial capacities through a competitive process to operate and maintain the above infrastructure for a period of twenty (20) years.

B. Description of General Requirements

The private firm's responsibilities will include but not be limited to the following:

- Obtain required operation licenses from Liberia Electricity Regulatory Commission pursuant to the Electricity Mini-grid Code of Liberia (access here: <u>Liberia Electricity Regulatory Commission</u> | <u>LERC</u>),
- Operate and maintain the mini-grid and its associated infrastructure,
- Carry out repairs, major rehabilitations, replacement of parts for all assets in line with an approved business plan,
- Carry out studies to justify the necessity of expansion, renewal and extension of generation and distribution assets,

- If possible, expand the distribution network by connecting additional customers based on power availability,
- Commercially operate the mini-grid including the exclusive right to charge, collect revenues from customers and cover the cost for major rehabilitations and replacement of assets in line with an approved business plan,
- Pay to relevant government institutions required fees, levies, and taxes as per law,
- Mobilize financing (equity or debts) for working capital,
- Transfer all mini grid assets back to RREA at the end of the O&M period.

C. Submission of Expressions of Interest

The RREA now invites eligible firms ("Operator") to indicate their interest in providing the Services. Interested Firms should provide information and documentary evidence (using the online form to which a link is provided below) to demonstrate that they have the required qualifications and relevant experience to perform the Services. The shortlisting criteria are:

- Minimum 5 years' experience in operation and maintenance of at least 3 hybrid mini grids as sole operator or main consortium partner, including mini grids with a capacity of at least 1.0 MW and/or serving at least 6,000 clients,
- At least 10 years of demonstrable knowledge and experience in operation and maintenance of low head hydropower plants with a capacity of at least 2.0 MW,
- Good reputation, strong institutional capacity, and capability in terms of technical, managerial, expertise, quality management system, number of technical staff and financial soundness, etc.
- Able to secure working capital of at least US\$ 1 million,
- Recent experience and good track record of operation and maintenance of hybrid mini grids in Sub-Saharan Africa.

Firms may associate with other firms in the form of a joint venture or consortium to enhance their qualifications.

An Operator will be selected using the Quality and Cost-Based Selection (QCBS) method in accordance with the World Bank' Procurement Regulations, November 2020.

Further information can be obtained on RREA's website: www.rrealiberia.org/new.

Expression of interest must be delivered using the online form on April 20, 2023.