

# Amendment 1 to Request for Proposals RFP-UESP-2021-015

**Activity Title: “Development of Regional Program to Modernize Heating Supply Systems of Settlements in Luhansk Oblast”**

**Issuance Date: April 14, 2021**

**Amendment issuance date: April 21, 2021**

**Deadline for Receipt of Questions: April 28, 2021 at 14:00**

**Closing Date and Time: May 20, 2021 at 14:00**

*Issuance of this RFP does not constitute an award commitment on the Tetra Tech ES, Inc., nor does it commit to pay for any costs incurred in preparation or submission of comments/suggestions of a proposal. Proposals are submitted at the risk of the offerors. All preparation and submission costs are at the offeror’s expense.*

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## 1. INTRODUCTION

The purpose of this RFP is to solicit proposals for **Development of Regional Program to Modernize Heating Supply Systems of Settlements in Luhansk Oblast** within the Scope of Work (SOW) specified in the Attachment A – Technical Specification within the Energy Security Project implementation funded by the U.S. Agency for International Development (USAID) and implemented by Tetra Tech ES, Inc. (Tetra Tech).

## 2. OFFEROR'S QUALIFICATIONS

Offeror must provide the following information and references in order to be qualified for the procurement process:

1. Company's information, including official registered title, type of business, address, and contact person information.
2. A short description of the company and of past similar experience in providing the services described in the Attached A -Technical Specification.
3. Overall technical approach to fulfill the specifications defined in Attachment A – Technical Specifications.
4. Certification that company is not owned or controlled in total or in part by any entity of any government.
5. Certification by any subcontractor engaged by the company for this project that the subcontractor is not owned or controlled in total or in part by any entity of any government.
6. The Offeror shall complete and sign the Representation and Certifications found in Attachments C to this document and include them with the Offeror's proposal. Proposals that do not include these certifications will not be considered.
7. A certificate of current cost or pricing data – Attachment D
8. Offerors listed in the Excluded Parties List System will not be considered. The Excluded Parties List can be found at <https://www.sam.gov/SAM/pages/public/searchRecords/searchResults.jsf>

## 3. SOURCE, ORIGIN AND NATIONALITY RESTRICTIONS

The USAID authorized geographic code for the Energy Security Project is 935. Code 935: Consists of any area or country including the cooperating country, but excluding the “prohibited sources”

Reference: USAID ADS Chapter 310, and all its sub-sections. These documents are available on the Internet.

## 4. SUBMISSION OF PROPOSALS

All proposals are due on **May 20, 2021** by no later than **14:00** local time in Ukraine. Proposals must be submitted via e-mail at the address **UESPprocurement@tetrattech.com** in the following formats: Adobe Acrobat and Microsoft Word and/or Excel.

All proposals must fully respond to the Technical Specifications enclosed as **Attachment A** and must include quotes in the format provided in the **Attachment B - Table 1 – Detailed Budget**. Proposals received after the above-stated due date and time will not be considered for this procurement.

## 5. QUESTIONS AND CLARIFICATIONS

All questions or clarifications regarding this RFP must be in writing and submitted, in English, to **UESPprocurement@tetratech.com** on **April 28, 2021** no later than **14:00** local time in Ukraine. Questions and requests for clarification, and the responses thereto, will be circulated to all RFP recipients.

Only written answers from ESP Procurement Office of Tetra Tech will be considered official and carry weight in the RFP process and subsequent evaluation. Any answers received outside the official channel, whether received verbally or in writing, from employees or representatives of Tetra Tech, or any other party, will not be considered official responses regarding this RFP.

## 6. PROPOSALS PREPARATION INSTRUCTIONS

All Offerors must follow the instructions set forth herein in order to be qualified for the procurement process. If an Offeror does not follow the instructions set forth herein, the Offeror's proposal may be eliminated from further consideration or the proposal may be downgraded and not receive full credit under the applicable evaluation criteria.

Separate Technical and Cost Proposals must be submitted. All proposals should be submitted in English and be signed by Offerors.

### I. TECHNICAL PROPOSAL

The technical proposal (excluding CVs) shall not exceed **21** pages. Proposals will be scored on a 100-point scale. Available points for each evaluation factor are given below. Offerors must address each evaluation factor.

The suggested outline for the technical proposal is stated below:

#### A. Organization's Information (maximum 2 pages)

- Organization's information, including official registered title, type of business, list of offices if applicable, address, telephone, fax and website.
- Organization's DUNS number.
- Authorized point of Contact with phone number(s) and email address.

#### B. Company Technical Capability (maximum 2 pages)

Description of organization, including activities/qualifications carried out like the scope of work requested.

#### C. Technical Approach (maximum 15 pages)

Present a narrative that describes how the Offeror would implement the tasks identified in the scope of work. This narrative must also include:

- A management approach which describes how the Offeror will manage the delivery of the services and how the Offeror will interact with ESP.
- A draft work plan that outlines the proposed activities over the course of the period of performance.
- Proposed performance indicators to measure the impact of the Offeror's planned activities and the progress of the Awardees as a result of the Offeror's assistance.

Information which the Offeror considers proprietary, if any, should be clearly marked “proprietary” next to the relevant part of the text and it will then be treated as such.

**D. Proposed Staff (maximum 2 pages, excluding CVs)**

Present a narrative that includes the following:

- Team composition (names, specialties/area of expertise, position/role, etc.), with detailed bios, and task assignments to perform the activities described in the SOW.
- Curriculum Vitae (CV) for all labor categories named in the Attachment A. (CVs shall be limited to 3 pages each) that describes their experience and lists the following:
  - Affiliation/Organization
  - Education
  - Years of Professional Experience
  - Relevant Experience to the SOW in this RFP
  - Fluency in English

In addition to presenting the CVs, offerors should complete and include the table below:

Proposed Personnel’s Name, Last Name	Proposed Position Under This Assignment	Qualification	Years of Professional Experience

**E. Company Past Performance (maximum 2 pages)**

Offerors should provide a summary of relevant studies or other assignments including the Title, Client, Date, and a brief description. The qualifications section is limited to 5 of the most relevant studies or other assignments performed in the last 5 years, presented in the following table format. If the client is confidential, simply list “confidential”.

Project (task) name (title)	Description of the project (task) and services provided	Client name, phone number and email address	Dates of execution

## II. FINANCIAL PROPOSAL

### a. Detailed Budget

Offeror shall complete the **Table 1 of the Attachment B “Detailed Budget”** in order to allow Tetra Tech ES, Inc. to compare all quotes and make a competitive selection. The budget should be provided in Excel format with unlocked cells and formula.

A price must be provided for each project component to be considered compliant with this request. The price proposal should include the individual line items shown in the template, e.g., fully-burdened daily rates, travel costs, and other direct costs. Offers must show unit prices, quantities, and total price. All items, services, etc. must be clearly labeled and included in the total offered price. The price proposal shall also include a budget narrative that explains the basis for the estimate of every cost element or line item. Supporting information must be provided in sufficient detail to allow for a complete analysis of each cost element or line item. Tetra Tech reserves the right to request additional cost information if the evaluation committee has concerns of the reasonableness, realism, or completeness of an Offeror’s proposed price.

Offeror shall provide unit pricing in **US dollars (USD)**. Prices quoted in this document shall be valid for a 60-day time period, include all taxes and other costs but excluding the VAT tax originated in Ukraine.

### b. 1420 Forms for the proposed personnel

For each staff member proposed, the Offeror shall submit a completed and signed USAID 1420 forms.

USAID form 1420 can be downloaded here: <https://www.usaid.gov/forms/aid-1420-17>

### c. Proposed Billing Rates Certification

Document on company letterhead certifying the labor rates being proposed are standard rates and have been previously billed to clients for similar work.

### d. Representations and Certifications

These documents can be found in Attachments C of this RFP and must be submitted as part of the Cost Proposal.

### e. Non-government owned certification

Certification that company is not owned or controlled in total or in part by any entity of any government.

### f. Certificate of current cost or pricing data

These documents can be found in Attachments D of this RFP and must be submitted as part of the Cost Proposal.

Under no circumstances may cost information be included in the technical proposal. No cost information or any prices, whether for deliverables or line items, may be included in the technical proposal. Cost information must only be shown in the cost proposal.

## 7. EVALUATION CRITERIA

Award will be made to the offeror representing the best value in consideration of past performance, qualifications, and price factors. Technical criteria are more important than cost, although prices must be reasonable and will be considered in the evaluation. Offeror are encouraged to provide a discount to their standard commercial rates.

Tetra Tech reserves the right to conduct discussions with selected offeror (s) in order to identify the best value offer. Award of any resulting Subcontract Agreement shall be made by Tetra Tech on a best value basis. Tetra Tech reserves the right to request a test assessment from offerors to assess their qualifications.

The submitted technical information will be scored by an evaluation committee using the following technical evaluation criteria (80 points) and cost proposal (20 points).

Given the specific expertise required to perform the services in question only offers with a technical score of 50 points or more will be considered for evaluation of their cost proposals.

Proposals will be scored on a 100-point scale. Available points for each evaluation factor are given below.

#### TECHNICAL PROPOSAL (80 POINTS)

Evaluation Criteria for Technical Proposal		Points
I.	Technical Approach	35
II.	Proposed Staff	25
III.	Company Past Performance	20
<b>TOTAL</b>		<b>80</b>

#### FINANCIAL PROPOSAL (20 POINTS)

The lowest qualified financial proposal will receive the maximum score of 20 points.

The other proposals will be scored inversely proportional to their price and computed as follows:

$$S_f = 20 * F_m / F$$

where

$S_f$  = financial Score of the proposal evaluated

$F_m$  = price of the lowest priced Financial Proposal among those qualified

$F$  = price of the Financial Proposal under consideration

Offeror should submit a Detailed Budget reflecting the cost of completing the scope. Offerors shall complete the Attachment B – Detailed Budget. Labor rates quoted in this document shall be fully-burdened with all indirect costs, taxes and fee, if any. The period of performance is **58 weeks**.

Tetra Tech reserves the right to conduct discussions with selected offeror(s) in order to identify the best value offer. Award of any resulting Subcontract Agreement shall be made by Tetra Tech on a

best value basis, with evaluation of proposed price as well as proposed services and implementation schedule.

#### **8. TERMS OF PAYMENT**

Payment terms for the awarded Subcontract Agreement shall be forty-five (45) days after satisfactory completion and acceptance and of services and deliverables according to the schedule in the Table 2. Payment shall be made by Tetra Tech ES, Inc. via bank wire transfer in **Ukrainian Hryvnias** per National Bank of Ukraine exchange rate on the effective date of the subcontract **or US dollars**.

#### **9. DUNS NUMBER AND SAM.GOV REGISTRATION**

Active DUNS number or evidence of process of registering for DUNS number is required at stage of submitting proposal. DUNS Number shall be active and SAM.gov registration completed before finalization of subcontract agreement. All second-tier subcontractors must comply with the requirements outlined in the RFP, including obtaining DUNS and SAM numbers if the proposed second-tier subcontract price is above \$30,000. Only legal entities need DUNS numbers. Information regarding obtaining a DUNS number may be found here:

<https://fedgov.dnb.com/webform>

#### **10. NEGOTIATIONS**

Best offer proposals are requested. It is anticipated that a subcontract will be awarded solely on the basis of the original offers received. However, Tetra Tech reserves the right to conduct discussions, negotiations and/or request clarifications prior to awarding a subcontract. Furthermore, Tetra Tech reserves the right to conduct a competitive range and to limit the number of offerors in the competitive range to permit an efficient evaluation environment among the most highly-rated proposals. Highest-rated offerors, as determined by the technical evaluation committee, may be asked to submit their best prices or technical responses during a competitive range.

#### **11. MULTIPLE AWARDS/NO AWARD**

Tetra Tech ES, Inc. reserves the right to issue multiple awards. Tetra Tech ES, Inc. also reserves the right to issue no awards.



## ATTACHMENT A – TECHNICAL SPECIFICATION

**SCOPE OF WORK: Development of Regional Program to Modernize Heating Supply Systems of Settlements in Luhansk Oblast**

**PERIOD OF PERFORMANCE: 58 weeks**

**PLACE OF PERFORMANCE: City, Country**

### 1. Background

Energy Security Project is USAID project implemented by Tetra Tech ES, Inc. Energy Security Project works with Ukrainian government, private sector, and civil society leaders to improve Ukraine's energy security, and transform Ukraine's energy sector into a modern, market-oriented, EU-integrated, engine of growth. Energy Security Project's goals include *inter alia* promoting Competitive Energy Markets, facilitating European Integration, strengthening Energy Independence, facilitating Renewable Energy Development, supporting Empowered Sector Regulation, increasing Public Trust and ensuring Environmental and Social Responsibility.

The Luhansk Oblast State Administration (LOSA) is a local government unit - civil-military administration, established by the Decree of the President of Ukraine №123/2015. Among other powers, LOSA prepares and approves programs of socio-economic development of the oblast. The Administration has experience in cooperation with USAID projects, notably with USAID Economic Resilience Activity (ERA).

In January 2021, ESP received a request from LOSA for assistance to develop Regional Program to Modernize Heat Supply System (RPMHSS). As mentioned earlier, the Luhansk Oblast is military operations affected region and needs additional support to rebuild its civil structures, including heating systems. Notably, having Luhansk RPMHSS piloted and, as the result of the entire activity, national framework improved and supporting materials developed, we may anticipate that other regions would benefit when engaging in RPMHSS development.

### 2. Objectives

The overall objective of this assignment is to provide assistance to the civil-military administration of the Luhansk Oblast in modernization of its heat supply systems and, using the pilot-case of Luhansk oblast, to identify directions of improving the existing normative framework of regional programs' development in Ukraine.

Specifically, the subcontractor is requested to achieve the following objective: **to develop Regional Program for the Modernization of Heat Supply Systems in the Settlements of Luhansk Oblast (RPMHSS) and to facilitate adoption of the RPMHSS.**

### 3. Scope of Work

The subcontractor will develop such a RPMHSS which covers district heating systems and heat supply systems for social facilities (healthcare, education, culture, office buildings), apartment buildings. Initial list of affected areas shall accommodate the settlements: Severodonetsk, Lysychansk, Rubizhne, Kremennaya, Zolotoe, Hirsk, Shchastye; and the districts: Severodonetskiy, Svatovskiy, Starobelskiy, Shchastinskiy. The subcontractor may propose further detailing the areas/sites under support, if reasonable, and if LOSA provides consent.

The outcome expected from this SOW: a developed wide scale RPMHSS providing for 20% of sustainable (“green”) heat in 5 years and for 40% of sustainable (“green”) heat in 10 years in the Luhansk Oblast heat balance.

The subcontractor, in achieving the purpose of the assignment and while implementing the SOW, shall be guided by the following underlying principles:

- low-carbon guidance prevailing;
- environmental protection safeguarded;
- availability of local energy resources and industrial potential utilized;
- socio-economic factors duly considered; and
- financial sources for the proposed projects under the Program identified.

The subcontractor shall assess technical possibilities and economic rationality for application Luhansk region for the following technological directions, including but not limited: (i) utilization of industrial waste; (ii) utilization of heat from sewage and processed sludge; (iii) boilers on biofuels, agro-waste; (iv) solar systems, combined solar modules, storage; (v) small scale CHPs; (vi) modernization of Severodonetska CHP; (vii) waste incineration CHP; (viii) systems with heat pumps, electro-boilers and storage facilities; (ix) optimization of pipe diameters; (x) optimization of temperature regimes, swap from quality to quantity regulation.

Structure of activity: 1. Development of electronic passports for heat supply systems in the Luhansk Oblast; 2. Analysis of current technical status, previously implemented projects, identification of the main problems; 3. Analysis of the potential of renewable and local energy sources; 4. Analysis of the industrial potential available; 5. Development of potential modernization projects; 6. Identification of regional and national business structures potentially interested in implementing the Program, opportunities for international technical assistance for the Program implementation; 7. Public campaign; 8. Regional energy management system developed.

### **SOW 3.1. Commencement of the project.**

The subcontractor will develop a detailed **GANTT chart**, organized on weekly basis. The GANTT chart will identify actions and tasks, milestones, and actors involved. The GANTT chart shall be agreed with ESP.

The subcontractor shall organize a **round table meeting** with LOSA, Administration of Luhansk City and local (district) administrations, heat, electricity, gas entities, business representatives, and other stakeholders, being interested and relevant to the RPMHSS to be developed under this SOW. The subcontractor will familiarize stakeholders with the goals, objectives, methodology, timeline of the implementing this SOW; will ensure engagement of stakeholders with the ongoing work under this SOW. The subcontractor will organize the meeting in close coordination with the ESP team, for eg., agree with ESP on time and agenda of the Round Table. The subcontractor will provide agenda, list of attendees and minutes of the Round Table meeting conducted to roll out the project.

The subcontractor will provide COVID-19 protocol and how they plan to facilitate the Roundtables and other tasks prescribed under SOW, given the current state of the pandemic and any regulations stipulated by the government.

### **SOW 3.2. Develop the database of the project.**

The subcontractor shall develop forms for data collection on existing heat supply systems, consent the forms with ESP and LOSA, and conduct raw (primary) data collection as per agreed forms. The subcontractor will conduct technical, economic, financial analysis of the existing heat supply systems, potentially expanding the scope of analysis to other topical areas (for eg., social, etc.), as objectively may be needed and as provided in the data collection forms. The subcontractor shall analyze heat supply systems when they are available. The subcontractor will develop **electronic passports of centralized heat supply systems of the Luhansk region**, and place those passports in the cloud. The information on the repository of the electronic passports of centralized heat supply systems shall be shared with relevant LOSA institutions/representatives. The subcontractor, upon further implementation of the SOW, will subsequently replenish the information available in the cloud and will introduce amendments to the information shared in the repository.

### **SOW 3.3. Analysis of data and documents relevant to regional heating supply modernization.**

The subcontractor shall identify key documents relevant to social and economic development of Luhansk region. The subcontractor will study public decisions, orders, programs, action plans, available feasibility studies, assessment reports, and other relevant materials, which may be impactful to future needs and prospects for heat supply in Luhansk region. Thematic areas shall include but not limited to Buildings' thermal modernization programs; Household and industrial waste management; Power sector, gas sector assessments, plans and projects; Coal mining assessments and plans; Socio-economic development; etc. The conclusions after analysis under SOW 3.3. will provide the subcontractor a wider context to projecting role and specifics of heat supply systems under changing economic and social environment of Luhansk region. The results of the analysis must be duly taken into account while performing subsequent actions. The subcontractor will develop an **Overview Synthesis** of provisions of programmatic documents relevant to heats supply in the region, reserving special attention strategic directions embedded in the programmatic documents.

### **SOW 3.4. Analysis of indicators of the current state of heat supply systems in the region.**

The subcontractor will perform in depth analysis of the current state of existing heat supply systems in Luhansk region. The analysis shall include but not be limited by heat supply systems' structure, actors, energy efficiency, supply reliability, quality of heat supply, consumption change pattern, environmental and other indicators, including indicators to reflect the recent changes in gas market. The subcontractor may consult the new Heat Supply Schemes development methodology for suggested indicators. The subcontractor shall apply a systematic approach to selecting the indicators in such a way, that the entirety of the indicators will enable measuring the current state of the heat supply systems and progress to be achieved in terms of overall aim of the RPMHSS. The subcontractor shall agree with ESP the **list of indicators** to be used. The analysis shall result with **assessment of current state** of heat supply systems, SWOT, identification of existing and potential problems and threats. The analysis shall *inter alia* identify a number of heat supply systems and other objects to be conducted with energy audits and provide justification for units included and units excluded from the list of energy audits.

### **SOW 3.5. Selective express energy audits of heat supply systems and individual objects (as per identified needs under SOW 3.4).**

The subcontractor will conduct energy audits for the units (heat supply systems and other objects) identified under SOW 3.4. The subcontractor shall replenish the repository with **reports of energy audits** conducted. If needed, the subcontractor will supplement and clarify information provided in electronic passports of the heating systems, as per energy audit results.

The subcontractor will develop **State Assessment Report of heat supply systems in Luhansk region** Based on implemented SOW 3.2., SOW 3.3., SOW 3.4. and SOW 3.5. The State assessment report will identify the status of heat supply system in Luhansk region in diverse cuts, will highlight wider content of Luhansk regional development and anticipated impacts on heat supply systems, and will conclude on technical, economic, etc. challenges and threats to be addressed in a justified manner.

**SOW 3.6. Analysis of the regional potential to replace traditional fossil fuels with renewable and local sustainable energy sources.**

The subcontractor shall analyze the potential of renewable and local alternative sustainable sources, which is available in Luhansk region (and at rational distances, if relevant). It is expected that subcontractor shall analyze potential of biofuels, solid municipal and industrial waste, installation of heat pumps, solar modules including combined options, low-temperature heat possibilities, sewage sludge utilization, and other opportunities available to replace fossil fuels in heat supply systems in Luhansk region. The subcontractor, in the frame or of this task, will identify potential projects to replace fossil with renewable and local sustainable options. The subcontractor shall use GIS to display spatially distributed information on potential available and projects possible. Analysis of the regional potential to replace traditional fossil fuels with **renewable and local sustainable** energy sources shall be accommodated within a specific **Report**, where the subcontractor shall also identify and justify a list of investment projects to be worked upon on later stage.

**SOW 3.7. Development of feasibility studies for modernization projects for heat supply systems in the region.**

The subcontractor shall develop **feasibility studies** for investment projects identified and justified under SOW 3.6. The entirety of the projects shall ensure providing for 20% of sustainable (renewable, local) heat in 5 years and for 40% of sustainable (renewable, local) heat in 10 years in the Luhansk Oblast heat supply balance. These investment projects will constitute the Package of modernization projects under RPMHSS. By nature, projects may address any point at the value chain of heat supply system and are not limited to any specific activity. The feasibility studies may include but not be limited to “Traditional fuels replacement projects”, Modernization of Severodonetsk CHP, Small distributed cogeneration, Replacement of pipes for heating networks, Optimization of heating structure, Partial decentralization, autonomous, individual heat supply, etc. Feasibility studies shall be prepared in such mode, which can be further used in communication with IFIs and/or national financial institutions and meet applicable regulations if any. In entirety, the set of proposed investment projects shall be proposed in such a sequence (**Roadmap**) which ensures the highest technical impact at project implementation and are aligned with opportunities to finance the projects (SOW 3.9) by funding subjects identified. The subcontractor shall present feasibility studies to ESP at a dedicated meeting. The subcontractor will prepare the grounds and organize a **1<sup>st</sup> Working Meeting** at the regional administration to consider the package of projects; the meeting shall result with a **protocol of approval of the package of projects** under PRMHSS.

**SOW 3.8. Identification of regional and/or national business entities interested in the implementation of projects under RPMHSS**

The subcontractor shall develop a preliminary list of potential investors to the identified projects. The subcontractor shall prepare the grounds and organize **Regional Forum** dedicated to investment projects under RPMHSS. The subcontractor shall prepare the grounds and organize Working meeting with regional administration, participation of potentially investors in projects under

RPMHSS. The subcontractor shall implement other legitimate actions, if needed, to engage potential investors and achieve target outcome - expression of interest in project investment under RPMHSS. **Signed protocols of intent** shall be considered as deliverable under SOW 3.8.

### **SOW 3.9. Determination of funding sources for RPMST projects.**

The subcontractor shall analyze and identify a likely (veracious) funding source for each proposed investment project under RPMHSS. The subcontractor shall analyze opportunities for funding to be provided by local budgets, regional budget, DHC funded (tariff), State Fund for Regional Development, Credit institutions, Grant sources, and other sources if relevant. Each recommended project shall have at least one funding source identified. In entirety, the set of funding sources shall be proposed in such a way and in such a consequence that the financial burden is bearable by all funding subjects. The subcontractor will prepare the grounds and organize the **2<sup>nd</sup> Working Meeting** at the regional administration to consider the package of projects; the meeting shall result with a **Signed protocol on approval of funding sources**, which will be considered as a deliverable under SOW 3.9.

### **SOW 3.10. Development, concurrence, and approval of the RPMHSS in the prescribed manner.**

The subcontractor shall put the developed structural items of RPMHSS into a form provided by legal acts, for eg., the requirements provided by the Order of development of regional programs of modernization of systems of heat supply<sup>1</sup>, and other normative acts, if relevant. The subcontractor is expected to develop the RPMHSS in such a mode, which conforms to the current requirements and is not limited to the normative minimum (our expectation is that the developed RPMHSS will extend beyond the current normative limitations and serve as a pilot best practice example for subsequent proposal to amend the normative regulation and to replicate RPMHSSs in other regions onwards). Certain RPMHSS sections, extending beyond the normative minimum, shall essentially disclose the directions and the ways to subsequently improve the normative framework of development of RPMHSSs in Ukraine. The subcontractor shall present the developed draft RPMHSS to ESP in a dedicated meeting. The subcontractor shall consent the text and the form of RPMHSS with LOSA. The subcontractor shall consent the RPMHSS with the Ministry of Communities and Territories Development. The subcontractor shall support passage of the developed **Regional Program to Modernize Heat Supply Systems in Luhansk Oblast** until approval by LOSA. The passage support will include actions and products needed by the adopting institution, for eg., drafting explanatory notes, organizing and participating in round tables and discussions, acting as a member of working groups if any, developing presentations and other support materials. Approval and coordination of the RPMHSS are performed in accordance with the legal acts of Ukraine. In case the RPMHSS under passage receives comments by mandated bodies, the subcontractor shall address those comments.

### **SOW 3.11.**

**Development of Energy management system for heat supply (EMS HS) of the Luhansk region.** The subcontractor will assess the potential to establish EMS HS structure using available organizational and human resources and will develop a proposal on future EMS HS in Luhansk region, sufficient to effectively support implementation of the RPMHSS and monitor the progress. The subcontractor will develop the Regulation on EMS HS, develop the organizational structure of the EMS HS and support launching and operationalization of the EMS HS in Luhansk Region. The subcontractor will provide legal and passage support to implement the proposed solution on EMS HS, including formal

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<sup>1</sup> <https://zakon.rada.gov.ua/laws/show/401-2009-%D0%BF#>

adoption of the **Regulation (Regalement)** and the **Organizational structure** of the EMS HS by LOSA decision. The subcontractor will conduct a series (at least 3) of **online capacity building seminars** to energy managers in the newly operationalized EMS HS. The subcontractor will hand over the data base of the project to the newly established EMS HS. The subcontractor will organize a **Round Table** "Development and maintenance of the EMS HS in Luhansk region".

The subcontractor will report to ESP District Heating Sector Lead.

#### 4. Deliverables and Due Dates

The subcontractor shall deliver to Tetra Tech the following, in accordance with the schedule set forth below.

**Deliverable 1 (SOW 3.1). GANTT chart of project implementation.** The **GANTT chart** shall identify actions and tasks, milestones, actors involved into implementation of this project. The GANTT shall be organized on weekly basis and agreed with ESP.

**Deliverable 2 (SOW 3.1). Round Table meeting organized.** **Round Table** meeting organized and attended by all interested stakeholders to incept the project.

**Deliverable 3 (SOW 3.2, SOW 3.3). Data base for heat supply systems in Luhansk Region.** The **Database** developed in cloud. Data base is populated with electronic passports developed for existing heat supply schemes (SOW 3.2). **Electronic passports** developed based on readily available information, and primary (raw) data on heat supply systems collection exercise. Database is uploaded with other relevant documents, including but not limited with heat supply schemes when they are available, and relevant programmic documents (SOW 3.3). **Overview Synthesis** is developed on provisions of available programmic documents, relevant to regional heat supply systems (SOW 3.3).

**Deliverable 4 (SOW 3.2, SOW 3.3., SOW 3.4). Draft State Assessment Report of heat supply systems in Luhansk region.** **List of Indicators** to measure current state and heat supply systems and assess the progress against the overall aim of the RPMHSS. **Draft State Assessment Report** will synthesize the information, collected, systematized, and analyzed under SOW 3.2, SOW 3.3 and SOW 3.4. The draft report shall include a section of assessment and justification of need for energy audits for the heat supply systems and/or objects in Luhansk region. Draft State Assessment Report shall be presented to ESP team, in a dedicated meeting.

**Deliverable 5 (SOW 3.5) Reports on energy audits conducted.** Package of **Reports on energy audits**, conducted for heat supply systems and/or objects in Luhansk region, identified and justified under deliverable 4 (DEL 4).

**Deliverable 6 (SOW 3.2, SOW 3.3., SOW 3.4, SOW 3.5). Final State Assessment Report of heat supply systems in Luhansk region.** **Final State Assessment Report** shall be continuation and finalization on the draft Report (DEL 4), replenished with newly received / acquired / analyzed information, comments received during presenting to ESP team, and information made available as the result of conducted energy audits (DEL 5).

**Deliverable 7 (SOW 3.6). Analysis of the regional potential to replace traditional fossil fuels with renewable and local sustainable energy sources.** The subcontractor shall duly provide information on substitute fuels potential available in Luhansk region and identify potential projects for investment to utilize the potential identified. Draft Analysis report shall be presented to ESP team for discussion and comments. **Final report** on regional potential to replace traditional fossil fuels

with **renewable and local sustainable** energy sources shall be adjusted along to comments received during discussion.

**Deliverable 8 (SOW 3.7). Development of feasibility studies for modernization projects for heat supply systems in the region.** The subcontractor shall develop **package of feasibility studies** for pre-selected investment projects, which lead to 20 % of sustainable heat in Luhansk region in 5 years and 40% of sustainable heat in 10 years' time. Draft feasibility studies shall be presented to ESP team in a dedicated meeting. In case of comments, the subcontractor shall address those in the final package of feasibility studies. The subcontractor will organize the **1<sup>st</sup> Working Meeting** with representatives of LOSA and other institutions, as applicable, to discuss the package of the feasibility studies of the proposed projects and consent the proposal. Protocol of approval of the package of projects under PRMHSS, issued as the result of a working meeting at the regional administration to consider the package of projects.

**Deliverable 9 (SOW 3.8). Confirmed interest of regional and/or national entities in the implementation of projects under RPMHSS.** The subcontractor shall organize **Regional Investors Forum**. The subcontractor shall engage potential investors, in cooperation with LOSA, into investment projects under RPMHSS. **Protocols of intent to invest** shall serve as proof of confirmed interest to invest and considered as a deliverable under SOW 3.8.

**Deliverable 10 (SOW 3.9). Determination of funding sources for RPMST projects.** The subcontractor shall develop a **synthesized overview** of projects under RPMHSS and their financing sources. The **2<sup>nd</sup> Working Meeting** will provide for a signed **protocol on approval of funding sources**, which will be considered as a deliverable under SOW 3.9.

**Deliverable 11 (SOW 3.10). Regional Program to Modernize Heat Supply Systems in Luhansk Oblast.** The subcontractor shall develop **Regional Program to Modernize Heat Supply Systems in Luhansk Oblast** and provide support to its passage until adoption.

**Deliverable 12 (SOW 3.11). Development of Energy management system for heat supply (EMS HS) of the Luhansk region.** The subcontractor shall develop the **Regulation** on EMS HS, the **Organizational structure** of the EMS HS and shall support passage until adoption by LOSA. The subcontractor will conduct at least 3 **online capacity building seminars** to energy managers in the newly operationalized EMS HS. The subcontractor will organize a **Round Table** "Development and maintenance of the EMS HS in Luhansk region".

All deliverables are provided in electronic format unless the subcontractor is specifically requested to provide a hard copy. Deliverables are to be developed in Ukrainian. Here, the due dates are indicative, and the final dates will be developed in close coordination with LOSA.

Deliverable Number	Deliverable Name	Due Date
DEL 1	<b>GANTT chart</b> of actions or the entire Scope of Work under this contract (SOW 3.1)	2 weeks after contract award

DEL 2	<b>Round Table meeting</b> , conducted to roll out the project and summoned all parties having stake for the heating systems in Luhansk region (SOW 3.1)	4 weeks after contract award
DEL 3	<b>Database</b> in cloud created and populated with relevant information items available including but not limited to HSS (SOW 3.2), including relevant programming documents (SOW 3.3). <b>Electronic passports</b> for heating systems developed and uploaded on Database (SOW 3.2). <b>Overview Synthesis</b> on provisions of programmic documents (SOW 3.3)	12 weeks after contract award
DEL 4	<b>List of indicators</b> (SOW 3.4). <b>Draft State Assessment Report</b> of heat supply systems in Luhansk region (SOW 3.2, SOW 3.3., SOW 3.4), developed and discussed with ESP.	15 weeks after contract award
DEL 5	<b>Reports on energy audits</b> conducted (SOW 3.5)	22 weeks after contract award
DEL 6	<b>Final State Assessment Report</b> of heat supply systems in Luhansk region (SOW 3.2, SOW 3.3., SOW 3.4, SOW 3.5)	25 weeks after contract award
DEL 7	A. <b>Draft Analysis Report</b> on the regional potential to replace traditional fossil fuels with <b>renewable and local sustainable</b> energy sources (SOW 3.6)	28 weeks after contract award
	B. <b>Final Analysis Report</b> on the regional potential to replace traditional fossil fuels with <b>renewable and local sustainable</b> energy sources (SOW 3.6)	30 weeks after contract award
DEL 8	A. <b>1<sup>st</sup> draft package of feasibility studies</b> for modernization projects for heat supply systems in the region (SOW 3.7)	35 weeks after contract award
	B. <b>Final package of feasibility studies</b> for modernization projects for heat supply systems in the region (SOW 3.7)	38 weeks after contract award
	C. 1 <sup>st</sup> Working Meeting organized; <b>Protocol of approval</b> of the package of projects under PRMHSS (SOW 3.7)	42 weeks after contract award
DEL 9	<b>Regional Investors' Forum</b> organized; <b>Protocols of intent to invest</b> , signed by local or international investor(s) (SOW 3.8)	44 weeks after contract award
DEL 10	A. <b>Synthesized overview</b> of projects under RPMHSS and their financing sources (SOW 3.9)	46 weeks after contract award



	B. 2 <sup>nd</sup> Working Meeting organized; <b>Protocol of approval</b> of the package of projects under PRMHSS (SOW 3.9)	48 weeks after contract award
DEL 11	<b>Regional Program to Modernize Heat Supply Systems in Luhansk Oblast</b> developed. Passage supported until adoption (SOW 3.10)	58 weeks after contract award
DEL 12	A. <b>Regulation</b> on EMS HS, the <b>Organizational structure</b> of the EMS HS developed. Passage support provided until adoption by LOSA (SOW 3.11)	24 weeks after contract award
	B. <b>Three online capacity building seminars</b> to energy managers in the newly operationalized EMS HS (SOW 3.11)	32 weeks after contract award
	C. <b>Round Table</b> "Development and maintenance of the EMS HS in Luhansk region" organized (SOW 3.11)	36 weeks after contract award

**ATTACHMENT B – DETAILED BUDGET**
**PROPOSED DETAILED BUDGET**
**TABLE 1 – Overall Subcontract Detailed Budget**

Cost element	unit cost	Total units	cost
<b><u>Total Direct Labor</u></b>			
<b>LABOR (rate; level of effort; total)</b>			
Title,Labor Category - Name, Last Name (Full time / Short Term)	\$0.00	days	\$ -
Title,Labor Category - Name, Last Name (Full time / Short Term)	\$0.00	days	\$ -
Title,Labor Category - Name, Last Name (Full time / Short Term)	\$0.00	days	\$ -
Title,Labor Category - Name, Last Name (Full time / Short Term)	\$0.00	days	\$ -
<b>Subtotal Direct Labor</b>			<b>\$ -</b>
<b><u>Travel, Transportation &amp; Per Diem</u></b>			
Airfare	\$0	0 trips	\$ -
Per Diem Meal	\$0	0 days	\$ -
Per Diem Lodging	\$0	0 days	\$ -
Travel Miscellaneous	\$0	0 trips	\$ -
Insurance	\$0	0 people	\$ -
Local Ground Transportation	\$0	0 days	\$ -
Communications	\$0	0 trips	\$ -
<b>Subtotal Travel, Transportation &amp; Per Diem</b>			<b>\$ -</b>
<b><u>Other Direct Costs/Інші прямі витрати</u></b>			
<b>Subtotal Other Direct Costs</b>			<b>\$ -</b>
<b>TOTAL ESTIMATED COST</b>			<b>\$ -</b>

\*LOE = Level of Efforts, budgeted number of days assigned for the work

Rate = fully loaded daily rate

Prices quoted must be valid for **60** days, and account for ALL remuneration, per diem, travel, communications, report reproduction and other out-of-pocket expenses, taxes and other costs, but excluding the VAT tax that may be originated in **Ukraine**. On this basis Tetra Tech will issue a **Fixed Price Subcontract**, and payment shall be based upon acceptance of services and deliverables described in the Table 2.

**TABLE 2 – Payment schedule**

<b>Offeror Deliverable</b>	<b>Expected Due Date</b>	<b>Fixed Price Payment Amount</b>
1. <b>DEL 2: Round Table meeting organized</b>	...	5%
2. <b>DEL 3: Data base for heat supply systems in Luhansk Region</b>		5%
3. <b>DEL 4: Draft State Assessment Report of heat supply systems in Luhansk region</b>		5%
4. <b>DEL 5: Reports on energy audits developed</b>		5%
5. <b>DEL 6: Final State Assessment Report of heat supply systems in Luhansk region</b>		10%
6. <b>DEL 7: Analysis of the regional potential to replace traditional fossil fuels with renewable and local sustainable energy sources</b>		5%
7. <b>DEL 8: Feasibility studies for modernization projects for heat supply systems in the region, developed and approved</b>		15%
8. <b>DEL: 9 Confirmed interest of regional and/or national entities in the implementation of projects under RPMHSS</b>		10%
9. <b>DEL 10: Funding sources for RPMST projects, determined and approved</b>		10%
10. <b>DLE 11: Regional Program to Modernize Heat Supply Systems in Luhansk Oblast, approved</b>		20%
11. <b>Energy management system for heat supply (EMS HS) in the Luhansk region, operationalized</b>		10%

## ATTACHMENT C – REPRESENTATIONS AND CERTIFICATIONS

### Offeror Representations and Certifications

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#### 1. Organizational Conflict of Interest Representation

The offeror represents, to the best of its knowledge and belief, that this award:

does [ ] or does not [ ] involve an organizational conflict of interest.

*Please see FAR 52.209-8 for further explanation.*

#### 2. Data Universal Numbering System (DUNS) Number (required if cost proposal is more than USD \$30,000)

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(please use one box per number or dash)

#### 3. Source and Nationality of Goods and Commodities

(i) This is to certify that the Offeror is:

- a. an individual who is a citizen or legal resident of \_\_\_\_\_.
- b. a corporation or partnership organized under the laws of \_\_\_\_\_.
- c. a controlled foreign corporation of which more than 50% of the total combined voting power of all classes of stock is owned by United States shareholders; or
- d. a joint venture or incorporated association consisting entirely of individuals, partnerships or corporations. If so, please describe separately the citizenship or legal status of the individuals, the legal status of the partnership or corporations, and the percentage (%) of voting power of the corporations.

(ii) This is to certify that the **Source** (the country from which a commodity is to be shipped from) of the Equipment to be supplied under this Order is:

*name of country or countries*

#### 4. 52.204-24 Representation Regarding Certain Telecommunications and Video Surveillance Services or Equipment (Aug 2020).

The Offeror shall not complete the representation at paragraph (d)(1) of this provision if the Offeror has represented that it “does not provide covered telecommunications equipment or services as a part of its offered products or services to the Government in the performance of any contract, subcontract, or other contractual instrument” in the provision at [52.204-26](#), Covered Telecommunications Equipment or Services—Representation, or in paragraph (v) of the provision at [52.212-3](#), Offeror Representations and Certifications-Commercial Items.

(a) *Definitions.* As used in this provision—

*Backhaul, covered telecommunications equipment or services, critical technology, interconnection arrangements, reasonable inquiry, roaming, and substantial or essential component* have the



meanings provided in the clause [52.204-25](#), Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment.

*(b) Prohibition.*

(1) Section 889(a)(1)(A) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232) prohibits the head of an executive agency on or after August 13, 2019, from procuring or obtaining, or extending or renewing a contract to procure or obtain, any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. Nothing in the prohibition shall be construed to—

(i) Prohibit the head of an executive agency from procuring with an entity to provide a service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements; or

(ii) Cover telecommunications equipment that cannot route or redirect user data traffic or cannot permit visibility into any user data or packets that such equipment transmits or otherwise handles.

(2) Section 889(a)(1)(B) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232) prohibits the head of an executive agency on or after August 13, 2020, from entering into a contract or extending or renewing a contract with an entity that uses any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. This prohibition applies to the use of covered telecommunications equipment or services, regardless of whether that use is in performance of work under a Federal contract. Nothing in the prohibition shall be construed to—

(i) Prohibit the head of an executive agency from procuring with an entity to provide a service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements; or

(ii) Cover telecommunications equipment that cannot route or redirect user data traffic or cannot permit visibility into any user data or packets that such equipment transmits or otherwise handles.

*(c) Procedures.* The Offeror shall review the list of excluded parties in the System for Award Management (SAM) (<https://www.sam.gov>) for entities excluded from receiving federal awards for “covered telecommunications equipment or services”.

*(d) Representation.* The Offeror represents that—

(1) It  will,  will not provide covered telecommunications equipment or services to the Government in the performance of any contract, subcontract or other contractual instrument resulting from this solicitation. The Offeror shall provide the additional disclosure information required at paragraph (e)(1) of this section if the Offeror responds “will” in paragraph (d)(1) of this section; and

(2) After conducting a reasonable inquiry, for purposes of this representation, the Offeror represents that—

It  does,  does not use covered telecommunications equipment or services, or use any equipment, system, or service that uses covered telecommunications equipment or services. The Offeror shall provide the additional disclosure information required at paragraph (e)(2) of this section if the Offeror responds “does” in paragraph (d)(2) of this section.

(e) *Disclosures.*

(1) Disclosure for the representation in paragraph (d)(1) of this provision. If the Offeror has responded “will” in the representation in paragraph (d)(1) of this provision, the Offeror shall provide the following information as part of the offer:

(i) For covered equipment—

(A) The entity that produced the covered telecommunications equipment (include entity name, unique entity identifier, CAGE code, and whether the entity was the original equipment manufacturer (OEM) or a distributor, if known);

(B) A description of all covered telecommunications equipment offered (include brand; model number, such as OEM number, manufacturer part number, or wholesaler number; and item description, as applicable); and

(C) Explanation of the proposed use of covered telecommunications equipment and any factors relevant to determining if such use would be permissible under the prohibition in paragraph (b)(1) of this provision.

(ii) For covered services—

(A) If the service is related to item maintenance: A description of all covered telecommunications services offered (include on the item being maintained: Brand; model number, such as OEM number, manufacturer part number, or wholesaler number; and item description, as applicable); or

(B) If not associated with maintenance, the Product Service Code (PSC) of the service being provided; and explanation of the proposed use of covered telecommunications services and any factors relevant to determining if such use would be permissible under the prohibition in paragraph (b)(1) of this provision.

(2) Disclosure for the representation in paragraph (d)(2) of this provision. If the Offeror has responded “does” in the representation in paragraph (d)(2) of this provision, the Offeror shall provide the following information as part of the offer:

(i) For covered equipment—

(A) The entity that produced the covered telecommunications equipment (include entity name, unique entity identifier, CAGE code, and whether the entity was the OEM or a distributor, if known);



(B) A description of all covered telecommunications equipment offered (include brand; model number, such as OEM number, manufacturer part number, or wholesaler number; and item description, as applicable); and

(C) Explanation of the proposed use of covered telecommunications equipment and any factors relevant to determining if such use would be permissible under the prohibition in paragraph (b)(2) of this provision.

(ii) For covered services—

(A) If the service is related to item maintenance: A description of all covered telecommunications services offered (include on the item being maintained: Brand; model number, such as OEM number, manufacturer part number, or wholesaler number; and item description, as applicable); or

(B) If not associated with maintenance, the PSC of the service being provided; and explanation of the proposed use of covered telecommunications services and any factors relevant to determining if such use would be permissible under the prohibition in paragraph (b)(2) of this provision.

By signing below, the Offeror certifies that the representations and certifications made, and information provided herein, are accurate, current and complete.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name of and title of authorized signature: \_\_\_\_\_



**ATTACHMENT D – CERTIFICATE OF CURRENT COST OR PRICING DATA**

This is to certify that, to the best of my knowledge and belief, the cost or pricing data (as defined in section 2.101 of the Federal Acquisition Regulation (FAR) and required under FAR subsection 15.403-4) submitted, either actually or by specific identification in writing, to Tetra Tech in support of [Firm/Organization] are accurate, complete, and current as of [DATE]. This certification includes the cost or pricing data supporting any advance agreements and forward pricing rate agreements between the offeror and the Government that are part of the proposal.

Firm: \_\_\_\_\_

Signature: \_\_\_\_\_