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| **Request For Proposal (RFP)**  **to Appoint electricity ImporterS**    **Commercial Section**  **B2.1 Summary of offtaker commitments**  **&**  **B3.1 Request for Revenue Support** |
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|  |
| **PARTICIPANT: *PARTICIPANT TO ENTER ORGANISATION’S NAME***  **DATE OF SUBMISSION: *PARTICIPANT TO COMPLETE***  **Energy Market Authority**  **991G Alexandra Road #01-29**  **Singapore 119975**  [**www.ema.gov.sg**](http://www.ema.gov.sg) |

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## **B2.1: Summary of offtaker commitments**

*As part of Submission Document B2.1, Participants should state how much of the expected electricity delivered by their import project is already covered by binding commercial PPAs between the Participant and its offtakers. The key terms included in the submitted documentation must be summarised in the table below.*

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **ID** | **Document Name** | **Offtaker** | **Indicative Price / Price Range** | **Expected Contract Start Date** | **Expected Contract End Date** | **Expected Volume of Energy / Capacity** | **Comments (optional)** |
| Example |  | Offtaker name |  |  |  |  | Include any comments you think the EMA should consider. |
| 1 |  |  |  |  |  |  |  |
| 2 |  |  |  |  |  |  |  |
| 3 |  |  |  |  |  |  |  |

## **B3.1: Request for revenue support**

## **Part 1: Supporting information**

***The maximum length limit for responses to this section is 10 pages, excluding these instructions.***

*Participants may put forward a request for revenue support, within the parameters defined by the EMA, if they consider that this is required to develop their project. The requested level of revenue support should be stated in the Participant’s response to Part 2 and/or Part 3 below.*

*In Part 1, the Participant should provide supporting information to assist the EMA in considering responses to Part 2 and/or Part 3. All Participants should complete Part 1, including those Participants who are not requesting any revenue support.*

***Part 1A: Price scenarios***

*The EMA wishes to understand what prices the Participant’s import project requires to be commercially viable, and how this is affected by whether the import project is granted a form of revenue support.*

*In the table below, the Participant should provide the prices ($/MWh) that it would require to develop its project with and without revenue support. Prices in scenario(s) with revenue support should match the Participant’s response in Base Proposal of Part 2 and/or Part 3. For example, if the Participant requests CfDs for 50% and 75% of its output, those scenarios should be included in the table below. If the Participant is not requesting any revenue support, only the ‘no revenue support’ scenario should be included.*

*The assumptions and calculations (e.g., risk premia, required hurdle rate) that underpin the prices in each scenario should be transparently set out in the Participant’s financial model.*

|  |  |  |
| --- | --- | --- |
| **Scenario** | **Description** | **Average Sales Price[[1]](#footnote-2) ($/MWh)** |
| No Revenue Support |  |  |
| **Scenario(s) with Revenue Support** | **Description** | **Strike Price / Nodal Price Cap**  **($/MWh)** |
| *[Participant to complete, e.g., ‘Revenue Support Request 1’. Participants may add additional rows as required.]* | *[Participant to complete, e.g., ‘50% CfD, 15 year duration’]* |  |
|  |  |  |

***Part 1B: Explanation of the price scenarios***

*To assist the EMA in interpreting its response to Part 1A, the Participant should:*

* *Explain how the prices has been calculated in each scenario.*
* *Explain how the prices stated above relates to the Baseline Offer price provided in Submission Document B4.1.*
* *Provide any other contextual information that the EMA should consider when interpreting the response to Part 1A.*

***Part 1C: Rationale for revenue support request***

*The Participant should provide a supporting narrative setting out the rationale for their revenue support request.*

*If the Participant* ***is*** *requesting revenue support, it should:*

* *Explain why it requires the requested level and type of revenue support stated in Part 2 and/or Part 3. For example, the Participant may refer to factors such as its target rate of return for the project, or risks that the requested level of revenue support will assist in managing.*
* *Explain why providing the requested level and type of revenue support stated in Part 2 and/or Part 3 is beneficial to Singapore consumers.*
* *If the Participant requests both CfD and PC support mechanisms, state one mechanism as its preferred choice.*

*If the Participant* ***is not*** *requesting revenue support, it should:*

* *State why it is confident that no revenue support will be required to develop the project.*

**Part 2: Request for Contract for Difference (CfD)**

*If a CfD is requested, the Participant must provide a proposal for 50% support and for a duration of 15 years from COD. Duration is capped at 25 years from COD. The Participant should clearly indicate the minimum % of support that it requires (if less than 50%).*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **CfD Percentage Quantities (%)[[2]](#footnote-3)** | **50%** | **Others[[3]](#footnote-4)** | **50%** | **Others** |
| **Base Proposal** | | | | |
| **Strike Price ($/MWh)** |  |  |  |  |
| **Contract duration (years)** |  |  |  |  |
| **Adjustments to Base Proposal (if changes are not possible, please state ‘n/a’)** | | | | |
| **Accelerated Delivery** | **Base Delivery -1 year** | | **Base Delivery -2 years** | |
| **Strike Price ($/MWh)** |  |  |  |  |
| **Contract duration (years)** |  |  |  |  |
| **Delayed Delivery** | **Base Delivery +1 year** | | **Base Delivery +2 years** | |
| **Strike Price ($/MWh)** |  |  |  |  |
| **Contract duration (years)** |  |  |  |  |
| **Accelerated Carbon Trajectory** | **Base Trajectory -1 year** | | **Base Trajectory -2 years** | |
| **Strike Price ($/MWh)** |  |  |  |  |
| **Contract duration (years)** |  |  |  |  |

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## **Part 3: Request for Performance Contract (PC)**

*If a PC is requested, the Participant must provide a proposal for 50% support and for a duration of 15 years from COD. Duration is capped at 25 years from COD. The Participant should clearly indicate the minimum % of support that it requires (if less than 50%).*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **PC Percentage Quantities (%)[[4]](#footnote-5)** | **50%** | **Others[[5]](#footnote-6)** | **50%** | **Others** |
| **Base Proposal** | | | | |
| **PC Price ($/MWh)** |  |  |  |  |
| **Nodal Price Cap ($/MWh)[[6]](#footnote-7)** |  |  |  |  |
| **Contract duration (years)** |  |  |  |  |
| **Adjustments to Base Proposal (if changes are not possible, please state ‘n/a’)** | | | | |
| **Accelerated Delivery** | **Base Delivery -1 year** | | **Base Delivery -2 years** | |
| **PC Price ($/MWh)** |  |  |  |  |
| **Nodal Price Cap ($/MWh)** |  |  |  |  |
| **Contract duration (years)** |  |  |  |  |
| **Delayed Delivery** | **Base Delivery +1 year** | | **Base Delivery +2 years** | |
| **PC Price ($/MWh)** |  |  |  |  |
| **Nodal Price Cap ($/MWh)** |  |  |  |  |
| **Contract duration (years)** |  |  |  |  |
| **Accelerated Carbon Trajectory** | **Base Trajectory -1 year** | | **Base Trajectory -2 years** | |
| **PC Price ($/MWh)** |  |  |  |  |
| **Nodal Price Cap ($/MWh)** |  |  |  |  |
| **Contract duration (years)** |  |  |  |  |

## **Part 4: Cost uncertainty**

*Participant is expected to be responsible for all of its project costs and for managing these costs such that the project remains viable under the CfD or PC Revenue Support requested in its Final Bid. Nonetheless, EMA notes the feedback from some industry players that there may be uncertainty in certain project costs components that may be challenging to estimate during the RFP submission. Participants may therefore state if they wish to seek future adjustments to the CfD Strike Price and/or PC Price to manage variations in these costs.*

*Participants should use the table below to state any cost components for which they seek an adjustment to the CfD Strike Price and/or PC Price, if the actual value of the cost component differs from the estimated value reflected in the CfD Strike Price and/or PC Price requested in the Final Bid.*

*Participants should complete one table per cost component.*

***There is no maximum length limit for this section.***

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ID | *[e.g., 1]* | | Cost Component Name | | *[e.g., onshore cable land purchase]* | |
| Estimated Cost (SGD) | | *[e.g., SGD 1,000,000]* | | | | |
| Certainty Range (%) | | Lower Range | *[e.g., -10%]* | Upper Range | | *[e.g., +30%]* |
| Impact on Revenue Support Price (SGD) | | Lower Range | *[e.g., for CfD,Strike Price,*  *-$5/MWh]* | Upper Range | | *[e.g., for CfD,Strike Price,*  *+$7.5/MWh]* |
| Description | | *[Provide a short description of what the cost component is.]* | | | | |
| Justification | | *[State the justification for why a future adjustment to the CfD Strike Price and/or PC Price is reasonable. The justification should focus on the benefit to Singapore for putting in place such an adjustment mechanism.]* | | | | |
| Proposed Adjustment Mechanism | | *[State the Participant’s preferred mechanism for adjusting the CfD Strike Price and/or PC Price to account for variations in these costs.]* | | | | |
| Cost Breakdown Structure Location | | *[Estimated ranges for the cost component(s) should be consistent with information provided in Template B5.1 – Proposed System Whole-Life Costs (****see note below****).*  *The Participant should demonstrate this consistency by stating where the relevant cost component is included in Template B5.1. The description should match the Cost Breakdown Structure in Template B51, e.g., ‘Construction Costs – Onshore Cable (HVDC) – Land Purchase’]* | | | | |
| Financial Model Location | | *[Cost components must be clearly and separately identifiable in the Participant’s submitted financial model, such that the EMA is able to independently establish the impact of variations in these costs on the CfD Strike Price and/or PC Price.*  *State the location of the cost component assumption in the Participant’s financial model, e.g., Worksheet, Row.]* | | | | |

***Note: In Template B5.1, Participants are required to provide a breakdown of the estimated whole life costs for their project, including certainty ranges. This information is intended to assist the EMA in understanding the maturity of the Participants’ projects. The information provided in Template B5.1 should not be construed as acceptance or acknowledgement by the EMA that the level of revenue support may need to be varied to accommodate the range of cost estimates provided. Requests for flexibility in relation to the level of revenue support must be made in this section.***

1. The average sales price should be calculated as total net present revenue from selling imported electricity considering the levelised cost of energy, hurdle rate and other revenue adjustments, e.g. risk premia) divided by the total imported energy measured at the point of injection into Singapore’s grid over the requested duration of the electricity importer licence that the Participant would require to develop the project. [↑](#footnote-ref-2)
2. This % will be applied on the Importer’s prevailing maximum Import Capacity to determine the CfD Quantity for each half-hourly dispatch period. [↑](#footnote-ref-3)
3. Participant may choose to add more columns if it has multiple permutations for any “Others” column, up to a maximum of 3 permutations. [↑](#footnote-ref-4)
4. This % will be applied on the Importer’s prevailing maximum Import Capacity to determine the PC Quantity for each half-hourly dispatch period. [↑](#footnote-ref-5)
5. Participant may choose to add more columns if it has multiple permutations for any “Others” column, up to a maximum of 3 permutations. [↑](#footnote-ref-6)
6. Beyond the Nodal Price Cap, the PC Price does not apply. [↑](#footnote-ref-7)