January 8, 2019

Qualified Respondent: PSEG Puerto Rico

Reviewer: Edison Avilés Deliz

Component Weight	Bid Component	Description	Score
50%	**Financial and Operational**	see January 8, 2019 score	41.3
45%	**Technical**	"	36
5%	**Presentation of Proposal to Partnership Committee**	"	5
TOTAL			82.3

8 enero 2020

Qualified Respondent: PSEG Puerto Rico ("PSEG PR")

Initial Reviewer: Edison Avilés-Deliz (evaluation based on FTI Consulting Inc. recommendations)*

Component Weight	Bid Component	Scoring Metric	Weight	Description	Score
5%	1.4. Approach to O&M Services	1. Detailed description of all services.	25%	*	3
		2. Experience of management team.	25%	*	2
		3. Federal funding experience and plan.	25%	*	3
		4. Corporate culture.	5%	*	4
		5. Consortia members.	5%	*	4
		6. Organizational structure of ManagementCo and ServCo.	10%	*	4

		7 & 8. Commitment to social welfare of people of PR, use of local resources, approach to include PR entities.	5%	*	4
Summary for Section 1.4			100%		3 (3.8% out of 5%)
25%	1.5. Front End Transition Plan	1. General and Transition Management.	10%	*	3
		2. T&D Services Milestones.	15%	*	3
		3. System Remediation Plan Milestones.	15%	*	3
		4. Customer Service Milestones.	10%	*	4
		5. Information Technology ("IT") / Operation Technology ("OT") Systems Milestones.	10%	*	3
		6. Financial Management Milestones.	5%	*	4

		7. FEMA Funds and Federal Funding Procurement Manual Milestones.	10%	*	4
		8. Staffing for Front-End Transition Period.	10%	*	3
		9. Additional Front-End Transition Period Milestones.	10%	*	3
		10. Asset Acquisition.	2.5%	*	3
		11. Back-End Transition Plan.	2.5%	*	4
Summary for Section 1.5			100%		3.3 (20.5 out of 25 %)
10%	1.6. Operator Recruitment	1. General.	40%	*	3

	and Staffing Plan	2. Recruitment and Staffing Plan.	35%	*	4
		3. Training Plan.	25%	*	2
Summary for Section 1.6			100%		3.1 (7.00 out of 10%)
5%	1.7. Approach to Performance Metrics	1. Views on Indicative Performance Metrics (Annex IX).	10%	*	3
		2. Key personnel to prepare revised Annex IX during FETP.	10%	*	4
		3. Approach to suggesting alternative Performance Metrics during FETP.	10%	*	4
		4. Timeline and milestones for finalization of Performance Metrics, including coordination with PREB.	10%	*	3

		5. Approach to Incentive Fee.	5%	*	4
		6. Approach to engaging with regulatory bodies.	10%	*	2
		7. Views on time periods for and levels of achievement of Performance Metrics.	10%	*	2
		8. Views on Major Outage Event, Minimum Performance Thresholds and Minimum Performance Level Metrics.	10%	*	4
		9. Assumptions and dependencies that impact risk associated with Performance Metrics.	10%	*	2
		10. Description of methods, processes, tools, techniques that will be used for performance measurement.	10%	*	4
		11. Ability and commitment to meeting Performance Metrics.	5%	*	4

Total for Section 1.7	100%		3.2 (4.0% out of 5%)
45%		Total Score (out of 45%)	36%

January 8, 2020

Qualified Respondent: PSEG Puerto Rico

Reviewer: Edgardo Angeli-Rodríguez

Component Weight	Bid Component	Description	Score
5%	**Presentation of Proposal to Partnership Committee**		5

8 de enero de 2020
Edison Avila-Pérez based on FTI Consulting Inc Recommendations

Financial Evaluation (50% Total Weighting)

PSEG (original EAP).

Component	Commentary	% Weight	PSEG Puerto Rico Values	PSEG Puerto Rico Score	Luma Energy Values	Luma Energy Score
Front-End Transition Fee	• Proponent-estimated cost of labor and expenses incurred during Front-End Transition	2.5%	$45mm	2.5	$76mm	1.5
NPV of Total Service Fee (Mobilization, Fixed & Incentive)	• Based on Proponent-provided 15-year fee schedule • Luma fee includes the $60mm Mobilization Fee plus assumed 2% inflation in order to put fee schedule into nominal dollar terms for comparison purposes • Fixed Fee discounted at 6% and Incentive Fee discounted at 10%	30%	$1,381mm	30	$60mm $1,456mm **$1,516mm**	27.3
Termination Fee – Operator / (Owner)	• Higher Operator Termination Fee results in higher fee payable to Operator in certain cases of termination (lower is more favorable) • Higher Owner Termination Fee results in higher proceeds to Owner in certain cases of termination (higher is more favorable)	2.5%	$125mm / ($0mm)	2.5	$104 – 158mm / ($20mm declining to $13mm)	2.1
Net Operator Liability • Operator Damage Cap 0% • Operator Liability to Owner (aggregate) 5% • Parent Guarantee 2.5% • Delay Liquidated Damages (aggregate) 2.5% • Gross Negligence Cap 2.5%	• Represents amounts of liability / risk Operator willing to absorb • Higher amounts more favorable to Puerto Rico	(12.5%) 0% 5% 2.5% 2.5% 2.5%	$15mm $50mm $30mm $3mm $30mm	0 2.3 0.7 0.2 0.7	$10mm $110mm $110mm $40mm 110mm	0 5 2.5 2.5 2.5
Back-End Transition Fee	• Proponent-estimated cost of labor and expenses incurred during Back - End Transition	2.5%	$3mm	2.5	$6mm	2.5
Total				41.3		45.9

Source: Qualified Respondent Definitive Proposals and subsequent clarification letters.