Confidential

Qualified Respondent: PSEG Puerto Rico

Reviewer: [illegible]

Component Weight	Bid Component	Description	Score
50%	**Financial and Operational**		41.4
45%	**Technical**		36
5%	**Presentation of Proposal to Partnership Committee**		4
TOTAL			81.4

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

Initial Reviewer: [illegible]

Component Weight	Bid Component	Scoring Metric	Weight	Description	Score
5%	1.4. Approach to O&M Services	1. Detailed description of all services.	25%	Respondent provided a comprehensive response, which demonstrated a very good level of technical competency. Respondent proposed the same approach used in CIPA.	3
		2. Experience of management team.	25%	Respondent only identified some individuals and provided some detailed descriptions.	2
		3. Federal funding experience and plan.	25%	Respondent demonstrated ability to undertake FEMA-FUNDED Projects, which is based in their experience with [illegible]	3
		4. Corporate culture.	5%	Strong corporate culture including social responsibility & community involvement.	4
		5. Consortia members.	5%	No Consortium.	4
		6. Organizational structure of ManagementCo and ServCo.	10%	Response provided a Highly different approach are being used by the Proponents	4

		7 & 8. Commitment to social welfare of people of PR, use of local resources, approach to include PR entities.	5%	Excellent response. Respondent is very committed to social welfare, which is evidenced by how they helped P.R. to recover.	4
Summary for Section 1.4			100%		3
25%	1.5. Front End Transition Plan	1. General and Transition Management.	10%	High degree of competency and familiarity with front end transition. However, in many sections, they were not a lot of details included.	3
		2. T&D Services Milestones.	15%	Although PSEG demonstrates great competency, many details were left out until the Transition Period.	3
		3. System Remediation Plan Milestones.	15%	Although response was not fully detailed, other response provided some assurance as to their ability.	3
		4. Customer Service Milestones.	10%	Provided a strong response in detailing milestones and processes.	4
		5. Information Technology ("IT") / Operation Technology ("OT") Systems Milestones.	10%	Very good degree of competency as to IT and OT.	3
		6. Financial Management Milestones.	5%	Very good answer on most component of financial management.	4

		7. FEMA Funds and Federal Funding Procurement Manual Milestones.	10%	Strong response, detailing its client previous experience and qualified proposed team.	4
		8. Staffing for Front-End Transition Period.	10%	Team proposed is highly-qualifd.	3
		9. Additional Front-End Transition Period Milestones.	10%	More information is needed in term to prepare Health shared services, Emergency, among other.	3
		10. Asset Acquisition.	2.5%	some information not provided.	3
		11. Back-End Transition Plan.	2.5%	Very thorough answer. Sufficient checklist of Plan was also included.	4
Summary for Section 1.5			100%		3.3
10%	1.6. Operator Recruitment	1. General.	40%	PSEG's approach is adequate, although all key personnel has been identified.	3

	and Staffing Plan	2. Recruitment and Staffing Plan.	35%	Plan was adequate, which emphasized prior experience with other subsidiaries although many details were defined to FETP.	4
		3. Training Plan.	25%	Respondent seems to defer much to the FETP.	2
Summary for Section 1.6			100%		3.1
5%	1.7. Approach to Performance Metrics	1. Views on Indicative Performance Metrics (Annex IX).	10%	Respondent provided its views and rationale around each performance metric, although provided some different methodology.	3
		2. Key personnel to prepare revised Annex IX during FETP.	10%	These key personnel were provided as part of the team.	4
		3. Approach to suggesting alternative Performance Metrics during FETP.	10%	Approach to suggesting alternative metrics will be provided during the FETP.	4
		4. Timeline and milestones for finalization of Performance Metrics, including coordination with PREB.	10%	Provided for the FETP.	3

		5. Approach to Incentive Fee.	5%	Incentive Fee was stated to not be impacted by the Fixed Fee.	4
		6. Approach to engaging with regulatory bodies.	10%	Response to engage with regulatory bodies lacked detail and specificity.	2
		7. Views on time periods for and levels of achievement of Performance Metrics.	10%	Minimum performance level proposed is 20 years instead of 10 years. Also, proposed change to 100% performance.	2
		8. Views on Major Outage Event, Minimum Performance Thresholds and Minimum Performance Level Metrics.	10%	Sufficient response provided.	4
		9. Assumptions and dependencies that impact risk associated with Performance Metrics.	10%	Respondent stated that its ability to achieve metrics results would be completely dependent on the funding received.	2
		10. Description of methods, processes, tools, techniques that will be used for performance measurement.	10%	Respondent outlines a detailed process for performance measurement which also lists a variety of tools and techniques that will be deployed.	4
		11. Ability and commitment to meeting Performance Metrics.	5%	Based on its experience, there is a commitment to abide by the metrics.	4

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

Qualified Respondent: PSEG Puerto Rico

Reviewer: [illegible]

Component Weight	Bid Component	Description	Score
5%	**Presentation of Proposal to Partnership Committee**		4

February 8, 2020

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Financial Evaluation (50% Total Weighting)

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	10%	$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%	65%	$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)	5%	$125mm / ($0mm)	2.5	$104 – 158mm / ($20mm declining to $13mm)	2.1
Net Operator Liability • Operator Damage Cap • Operator Liability to Owner (aggregate) • Parent Guarantee • Delay Liquidated Damages (aggregate) • Gross Negligence Cap	• Represents amounts of liability / risk Operator willing to absorb • Higher amounts more favorable to Puerto Rico	15%	$15mm $50mm $30mm $3mm $30M	3.9	$10mm $110mm $110mm $40mm $110M	12.5
Back-End Transition Fee	• Proponent-estimated cost of labor and expenses incurred during Back - End Transition	5%	$3mm	2.5	$6mm	2.5
Total				41.4		45.9

Source: Qualified Respondent Definitive Proposals and subsequent clarification letters.