

**NATIONAL ENERGY COMMISSION**  
**Miraflores 222-Piso 10, Edificio Las Américas- SANTIAGO - CHILE**

**BIDDING TERMS AND CONDITIONS**  
**FOR THE ADJUDICATION OF THE IMPLEMENTATION**  
**AND OPERATION RIGHTS FOR THE NEW WORKS**  
**CONTEMPLATED IN MINISTRY OF ENERGY EXEMPT**  
**DECREE No. 82 OF 2012**

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## 1 INTRODUCTION

Under the General Electric Services Law of, Decree with Force of Law No. 4 of the Ministry of Economy, Development and Reconstruction, hereinafter and interchangeably DFL No. 4, the Toll Administration (*Dirección de Peajes*) of each Economic Load Dispatch Center (*Centro de Despacho Económico de Carga*, or CDEC) shall conduct an international public tender in accordance with the Bidding Terms and Conditions formulated by the National Energy Commission (*Comisión Nacional de Energía*), hereinafter and interchangeably “the Commission” for adjudication of the implementation and operation rights for the new works described in the respective Supreme Decree indicated in Article 99 of DFL No. 4, corresponding to Exempt Decree No. 82 dated February 29, 2012, hereinafter and interchangeably the “Expansion Plan Decree” of the Ministry of Energy, hereinafter and interchangeably “the Ministry.”

These Technical and Administrative Bases are intended to govern the entire Tender Process for a new work, from the tender invitation, adjudication, and implementation up to the time the Project is operable within the trunk transmission system of the Norte Grande Interconnected System (SING) and the Central Interconnected System (SIC), as applicable, in accordance with Article 7 of DFL No. 4.

The adjudication includes the right to implement and operate each new transmission trunk project contained in the SING or SIC Expansion Plan Decree, as applicable, in accordance with the terms and conditions set out herein, in the Expansion Plan Decree, and in the terms and conditions established in the respective decrees issued by the Ministry, pursuant to Article 97 of DFL No. 4, hereinafter the Adjudication Decrees.

These Bidding Terms and Conditions establish the requirements, submission deadlines and submission formats for administrative bids and the corresponding technical and economic bids, allowing bidders to present one administrative offer regardless of the number of project proposals the Bidder presents for New Works to be tendered by the CDEC-SIC.

## 2 DESCRIPTION OF THE PROJECTS

### 2.1 REFERENCE VALUES

As set out in the Expansion Plan Decree, the project reference values, expressed in thousands of United States dollars (US\$) as of December 2009, as well as construction deadlines, are shown below:

Table 1: Project Reference Values and Construction Deadlines

N°	Project	System	Reference Value Thousands of US\$	COMA Reference value Thousands of US\$	Construction Deadline
1	New 2X220 kV Line, Crucero – Lagunas, first circuit	SING	38,700	800	42 months
2	Second Ancoa Transformer, 500/220 kV	SIC	20,451	294	36 months
3	New 1X220 kV, Line A. Melipilla	SIC	23,690	490	60 months

N°	Project	System	Reference Value Thousands of US\$	COMA Reference value Thousands of US\$	Construction Deadline
	– Rapel				
4	New 2X220 kV Line, Lo Aguirre - A. Melipilla, with one circuit installed	SIC	27,815	575	60 months
5	New 2X220 kV Line, Lo Aguirre - Cerro Navia	SIC	54,610	765	48 months

The construction deadline shall begin on the date of publication of the Tender Adjudication Decree in the Official Gazette (*Diario Oficial*).

## 2.2 TECHNICAL DESCRIPTION OF THE PROJECT TENDERED AND AWARDED BY THE TOLL ADMINISTRATION OF CDEC-SING

### 2.2.1 New 2x220 kV Line, Crucero – Lagunas, first circuit

#### 2.2.1.1 General Description and Location of the Work

The project consists of the construction of a new 174-km, double-circuit transmission line with initial suspension of a single circuit, between the 220 kV busbars at the Crucero and Lagunas substations, with a capacity of 290 MVA at 35°C with sunlight.

#### 2.2.1.2 Minimal Technical Characteristics

The new line should have the following minimum technical characteristics:

- Operating Voltage 220 kV
- Number of Circuits (one circuit installed) 2
- Line design capacity per circuit 290 MVA at 35 °C amb. temp. with sunlight
- Maximum resistance per phase on each circuit 0.1 ohm/km
- Guard Wire OPGW or equivalent
- Transpositions 1 complete cycle
- Line Reactors To be defined by CDEC-SING, as required

#### 2.2.1.3 High Voltage Equipment

The quantity and type of equipment shall be specified according to insulation level, short circuit level, degree of contamination, type of service and its installation. The features will be established at the basic engineering level according to the demands of the system on these segments.

#### 2.2.1.4 Commissioning

The project must be built and commissioned no later than 42 months after the date of publication in the Official Gazette of the Adjudication Decree, awarding the respective tender contract.

#### 2.2.1.5 Reference Investment Value (IV) and Reference Cost of Operation, Maintenance and Administration (COMA)

The project's reference IV is US\$ 38.7 million. The COMA reference value is set at US\$ 800,000 (2.07% of the reference IV).

### 2.3 TECHNICAL DESCRIPTION OF THE PROJECTS TO BE TENDERED AND AWARDED BY THE TOLL ADMINISTRATION OF CDEC-SIC

#### 2.3.1 Second Ancoa Transformer, 500/220 kV

##### 2.3.1.1 General Description and Location of the Work

This work consists of the installation of a bank of 500/220 kV autotransformers with a total of 750 MVA plus a reserve unit.

This work shall be located inside the Ancoa substation, using the space available. Bidders shall consider the adjustments needed to prepare the space in the substation as well as the control systems, automation and configurations needed for installation of the equipment to ensure its proper set up and operation.

##### 2.3.1.2 Minimum Technical Characteristics

The new transformer must have the following minimum technical characteristics:

- Each single-phase unit must have the following characteristics: power: 170/250 MVA, ONAN/ONAF; transformation ratio:  $525/\sqrt{3} / 230/\sqrt{3} / 69/\sqrt{3}$ ; impedance:  $9.7\% \pm 5\%$  (base of 170 MVA), low power tap changer on  $230/\sqrt{3}$  kV.
- YNYN0 Connection
- Minimum BIL: 1,425 kV.
- Neither the vacuum loss nor the copper loss may be higher than established for the existing bank.
- Reactive compensation: 1 condenser bank connected to tertiary of total capacity of 3x33 MVar.

##### 2.3.1.3 High Voltage Equipment

The equipment will be specified in regard to insulation level, short circuit level, degree of contamination, type of service and its installation. The characteristics shall be established at the basic engineering level according to system demands at this node.

##### 2.3.1.4 Commissioning

The project must be built and be finished and completely operational within 36 months, after the date of publication in the Official Gazette of the Adjudication Decree for the respective tender.

### 2.3.1.5 Reference Investment Value (IV) and cost of operation, maintenance and administration (COMA)

The project's reference IV is US\$ 20.451 million. The reference COMA is set at US\$ 294,000 (1.44% of the reference IV).

## 2.3.2 New 1x220 kV Line, A. Melipilla – Rapel

### 2.3.2.1 General Description and Location of the Work

This work involves the construction of a new 1X220 kV transmission line between the Rapel substation and the Alto Melipilla substation, with an approximate length of 50 km, in single circuit structures with a nominal capacity of 290 MVA. The Project includes the line bay at the Rapel end. This circuit will be the continuation of the circuit indicated in number 2.3.3 of these bases.

This work must be carried out in conjunction with the work indicated in number 2.3.3 of these Bidding Terms and Conditions.

### 2.3.2.2 Minimum Technical Characteristics

The new line must have the following minimum technical characteristics:

- |  |  |
|--|--|
| – Operating Voltage                            | 220 kV                                     |
| – Number of Circuits                           | 1  |
| – Line design capacity per circuit             | 290 MVA at 35 °C amb. temp., with sunlight |
| – Maximum Resistance per phase on each circuit | 0.1 ohm/km                                 |
| – Guard Wire                                   | OPGW or equivalent                         |
| – Transpositions                               | 1 complete cycle                           |

### 2.3.2.3 Connection Bays, Minimum Characteristics

The line connection must include connection bays for each circuit. For the Rapel side, the line must be connected to the new positions built for that purpose in that substation. On the Alto Melipilla side, the project includes the construction of two bays and new high voltage yards along with their principal 220 kV busbars, the capacity of which will be defined by the CDEC-SIC. The successful bidder must therefore acquire the respective site within a 3-kilometer radius of the existing 220 kV Alto Melipilla substation. The normalization of the existing connection at the Alto Melipilla substation must also be considered in “tap off” to allow the existing lines connected to the tap off and the connection itself to be connected to the yards that will be built. The configuration of the main 220 kV busbars shall be in a double main bus and transfer bus arrangement. The new yards to be built and the space at the site to be purchased must have the clearance that the CDEC-SIC has established for this purpose.

### 2.3.2.4 High Voltage Equipment

The equipment will be specified according to insulation level, short circuiting level, degree of contamination, type of service and installation. The features shall be established at the basic engineering level according to the system requirements at these nodes.



### 2.3.2.5 Commissioning

The project must be built and be finished and completely operational within 60 months after the date of publication of the corresponding Adjudication Decree in the Official Gazette.

### 2.3.2.6 Reference Investment Value (IV) and Reference Cost of Operation, Maintenance and Administration (COMA)

The reference IV of the project is US\$ 23.690 million. The reference COMA is US\$ 490,000 (2.07% of the reference IV).

## 2.3.3 New 2x220 kV Line, Lo Aguirre – Alto Melipilla, with one circuit installed

### 2.3.3.1 General Description and Location of Work

This work consists of the construction of a new 2x220 kV line between the new Lo Aguirre Substation and the Melipilla Substation, with a length of approximately 42 km, in double-circuit structures, with the initial installation of a single circuit with a nominal capacity of 290 MVA. The project includes line bays at the Lo Aguirre end of the line. This circuit corresponds to the continuation of the circuit indicated in number 2.3.2 of these Terms and Conditions.

### 2.3.3.2 Minimum Technical Characteristics

The new line must have the following minimum technical characteristics:

– Operating Voltage	220 kV
– Number of Circuits (one circuit installed)	2
– Line design capacity per circuit	290 MVA at 35 °C amb. temp. with sunlight
– Maximum resistance per phase on each circuit	0.1 ohm/km
– Guard Wire	OPGW or equivalent
– Transpositions	1 complete cycle

### 2.3.3.3 Connection Bays, Minimum Characteristics

The line connection must include connection bays for each circuit. On the Alto Melipilla side, the line must connect to the 220 yard to be constructed. On the Lo Aguirre side, the project includes the construction of bays in the substation's established configuration. CDEC-SIC will provide the location of the future Lo Aguirre substation.

### 2.3.3.4 High Voltage Equipment

The equipment shall be specified according to insulation level, short-circuiting level, degree of contamination, type of service, and its installation. The characteristics shall be established at the basic engineering level according to system requirements at these nodes.

### 2.3.3.5 Commissioning

The project must be built and be finished and completely operational within 60 months after the date of publication of the corresponding Adjudication Decree in the Official Gazette.

### 2.3.3.6 Reference Value of Investment (VI) and Reference Cost of Operation, Maintenance and Administration (COMA)

The reference IV of the project is US\$ 27.815 million. The reference COMA is US\$ 575,000 (2.07 % of the reference IV).

## 2.3.4 New 2x220 kV Line, Lo Aguirre – Cerro Navia

### 2.3.4.1 General Description and Location of Work

This work consists of the construction of a new 2x220 kV line between the substation that will divide the Rapel-Cerro Navia and Alto Jahuel-Polpaico lines and the Cerro Navia substation, with a length of approximately 12 km, with one underground segment approximately 2 km long from the Cerro Navia substation. The nominal capacity of the line is 1500 MVA. The project includes line bays at the Lo Aguirre and Cerro Navia ends.

The new line must have the following minimum technical characteristics:

- Operating Voltage 220 kV
- Number of Circuits 2
- Line design capacity per circuit 1500 MVA at 35 °C amb. temp. with sunlight
- Maximum Resistance per phase on each circuit 0.015 ohm/km
- Guard Wire OPGW or equivalent
- Line Reactors shall be defined by CDEC-SIC, as required

### 2.3.4.2 Considerations for the underground segment

The underground segment shall be approximately 2 km long starting from the Cerro Navia substation and shall be installed with underground cable with XLPE insulation. The cables must be installed in a concrete tunnel for the entire segment. The quantity and section of the cables must guarantee the line design capacity and reactive compensation must be adequate, where required.

### 2.3.4.3 High Voltage Equipment

The equipment shall be specified according to insulation level, short-circuiting level, degree of contamination, type of service, and its installation. The characteristics shall be established at the basic engineering level according to system requirements at these nodes.

### 2.3.4.4 Commissioning

The project must be built and be finished and completely operational within 48 months after the date of publication of the corresponding Adjudication Decree in the Official Gazette.

### 2.3.4.5 Reference Investment (IV) and Reference Cost of Operation, Maintenance and Administration (COMA)

The reference IV of the project is US\$ 54.6 million. The reference COMA is US\$ 765,000 (1.4 % of the reference IV).

### 3 TENDER PROCESS STAGES AND DATES

The tender process for the projects shall be conducted by the CDEC-SIC and CDEC-SING Toll Administrations, which for this purpose are domiciled at:

CDEC-SING Office, Av. Apoquindo 4501, Of. 603-604, Las Condes, Santiago, Chile

CDEC-SIC Office, Teatinos 280, Oficina 12, Santiago, Chile

The stages and dates of the tender processes shall be as indicated in the CDEC-SIC Office, Teatinos 280, Oficina 12, Santiago, Chile

Table 2: Stages and Dates of the Tender Process for New Works

Stage		Dates
1	Invitation to tender bids issued	Monday, April 23, 2012
2	Start date for sale of technical and administrative bases	Wednesday, May 3, 2012. Monday-Thursday from 9:00 AM to 12:30 PM and from 2:30 to 6:00 PM, Friday from 9:00 AM to 12:30 PM, except holidays, at the CDEC-SIC and CDEC-SING offices, respectively.
3	Last date of sales of technical and administrative bases	Friday, October 12, 2012 until 12:00 PM.
4	Question Period Begins. Send questions in writing with copy to the corresponding email: <a href="mailto:licitacion@cdec-sic.cl">licitacion@cdec-sic.cl</a> or <a href="mailto:licitación@cdec-sing.cl">licitación@cdec-sing.cl</a>	Monday, May 14, 2012
5	First series of responses to questions	Monday, June 11, 2012 until 12:00 PM.
6	On-site visits	Beginning Friday, July 6, 2012
7	Second series of responses to questions	Wednesday, July 25, 2012 until 6:00 PM.
8	End of question period	Friday, August 17, 2012
9	Final deadline for modifying and/or adjusting Bidding Terms and Conditions and final series of responses to questions	Monday, September 3, 2012
10	Initial date for submitting bids	Monday, October 8, 2012 Monday-Thursday from 9:00 AM to 12:30 PM and 2:30 to 6:00 PM, Friday from 9:00 AM to 12:30 PM, except holidays, at the CDEC-SIC and CDEC-SING offices, respectively.
11	Final deadline for submitting bids	Tuesday, October 16, 2012 at 12 PM at the offices of CDEC-SIC or CDEC-SING, as applicable.
12	Opening of administrative bids	Wednesday, October 17, 2012

Stage		Dates
13	Estimated opening of technical bids	Wednesday, October 24, 2012
14	Opening of economic bids	Friday, December 14, 2012
15	Awarding by Toll Administrations	Tuesday, December 18, 2012
16	Estimated project start date	March 2013

## 4 FINANCING OF TENDER PROCESS COSTS AND PURCHASE OF BASES

### 4.1 COSTS OF TENDER PROCESS

Financing of the tender process shall be in accordance with Article 96, Clause 1 of DFL No. 4, and Article 2, number 4.1.3 of the Expansion Plan Decree.

In order to finance the cost of the Tender Processes, and in compliance with Article 96 of DFL No. 4, the Toll Administrations shall maintain a detailed, public and updated account of all expenses incurred for this purpose and the revenue earned from the sale of the Bidding Terms and Conditions, on their respective websites ([www.cdec-sic.cl](http://www.cdec-sic.cl) and [www.cdec-sing.cl](http://www.cdec-sing.cl)).

Payment of the costs of the tender process, as well as the criteria and considerations for determining the corresponding prorata amounts, shall be announced by the Toll Administrations no later than 15 days after the date on which the Technical Audit for each project is awarded. The users of each project must pay the costs calculated by the Toll Administrations by the deadlines they establish.

The costs of each tender process to be financed by the users of each project include the cost of the Project Implementation Audit, hereinafter the "Technical Audit and Inspection," which is described in point 11.2.1 of these Bidding Terms and Conditions and the estimated cost of which is 4,000 UF (*unidades de fomento*) for each project.

### 4.2 CALL FOR BIDS AND PURCHASE OF BIDDING TERMS AND CONDITIONS

The call for bids shall be public and international and shall be carried out through the publication of a notice in at least one foreign and two national newspapers. A copy of the call for bids shall also be published on the websites of the CDEC-SIC, the CDEC-SING and the Commission.

Both Chilean and foreign legal entities may purchase the Bidding Terms and Conditions individually or as part of a consortium or association, provided that they meet the requirements set out in number 5 of these Bidding Terms and Conditions.

Each Toll Administration shall keep a record of all legal entities that purchase the Bidding Terms and Conditions, duly identified, and these entities shall have access to each tender process at the corresponding stages. The Toll Administrations shall issue a receipt for the sale and registration of the respective legal entity.

The total cost of the Technical and Administrative Bases for presenting bids is CLP \$1,000,000 (one million Chilean pesos). The amount collected by each Toll Administration from the sale of the Bidding Terms and Conditions shall be used to finance the costs of the tender process indicated in number 4 of these Bases.

To participate in the question and answer process and on-site visit, and to submit a bid for the New 2X220 kV Crucero – Lagunas Line, first circuit, the Bidding Terms and Conditions must be purchased at the CDEC-SING office.

Similarly, to participate in the question and answer process and on-site visit and to bid on the New Work - Second Ancoa 500/220 kV Transformer, New 1X220 kV Line A. Melipilla – Rapel, New 2X220 kV Line Lo Aguirre - A. Melipilla, with one circuit installed, and New 2X220 kV Line Lo Aguirre - Cerro Navia, the Bidding Terms and Conditions must be purchased at the office of CDEC-SIC. In the case of works tendered by CDEC-SIC, the purchase of these Bases shall entitle bidders to submit a single Administrative Bid if they submit bids for one or more of the New Works that are to be tendered by CDEC-SIC.

## 5 BIDDERS

### 5.1 GENERAL CONDITIONS

All Chilean and foreign legal entities, individually or as part of a consortium or association, may participate in each tender process, provided that they have experience in the electricity sector, have purchased the Bidding Terms and Conditions and are part of the registry established by the Toll Administrations, regardless of whether they are open corporations exclusively dedicated to electrical energy transmission or transport.

All participants must have a risk classification no lower than BB-, issued no more than 12 months prior to submission of the bid by the risk classification agencies indicated in *¡Error! No se encuentra el origen de la referencia.* of these Bidding Terms and Conditions, and must submit financial information for no fewer than their three most recent fiscal periods, as set out in number 8.2.11 of these Bidding Terms and Conditions.

Notwithstanding the above, any bidder that is not an open corporation dedicated exclusively to electricity transmission or transport, as stipulated in Article 7 of DFL No. 4, must meet this requirement and be established as such if awarded any New Work, as stipulated in number *¡Error! No se encuentra el origen de la referencia.* of these Bidding Terms and Conditions, with the bidder's interest in its equity being no less than 99.9%.

Legal entities or individuals owning 99.9% of the equity must maintain said interest for the entire implementation period of the project and for one year after the commissioning of the respective expansion work(s). Any modification involving changes in the abovementioned percentage of equity must be duly approved by the National Energy Commission. Said authorization must be requested in writing with well-founded reasons provided for the change.

### 5.2 CONSORTIA AND ASSOCIATIONS

Consortia or associations of two or more legal entities may participate in the tender processes, provided that one of these entities has accredited experience in the electricity sector that qualifies it to participate. Where they are awarded the project, consortia or associations must be established as open corporation exclusively dedicated to electricity transmission or transport, as set out in number *¡Error! No se encuentra el origen de la referencia.* of these Bidding Terms and Conditions.

Consortia or associations may participate in the tender processes provided that at least one associated company has purchased these Bidding Terms and Conditions.

Legal entities acting through a consortium or association must agree to uphold their obligation to meet the requirements of these Bidding Terms and Conditions, the contents of their bid, and all pertinent legal provisions.

## 6 LEGAL FRAMEWORK OF THE TENDER

For the purposes of these tender processes, the following documents shall be considered to be an integral part of these Bidding Terms and Conditions:

- General Law of Electric Services, Executive Decree No. 4 of the Ministry of Economy, Development and Reconstruction (2006), and its modifications.
- Regulations of the General Law of Electric Services, Supreme Decree No. 327, and its modifications.
- Supreme Exempt Decree No. 82 of the Ministry of Energy, dated February 29, 2012 and published in the Official Gazette on March 24, 2012.
- Law No. 18,046 on Corporations, and its Regulatory Provisions, contained in Supreme Decree 587 of the Ministry of Finance, published on November 13, 1982 in the Official Gazette.
- Law Decree No. 40 of the Ministry of Labor of 1969.
- Law No. 18,410, the Organic Law of the Superintendency of Electricity and Fuels.
- Technical Standard for Safety and Quality of Service currently in force.

In preparing their bids, bidders may also consult the following documents for reference, among others:

- Annual Toll Report, prepared by the Toll Administrations of the CDEC-SIC and CDEC-SING, respectively, that is in force on the date the tender process is initiated.
- Node Price Decree issued by the Ministry of Energy, in force on the date the tender process is initiated.
- Node Price Technical Report prepared by the National Energy Commission, in force on the date the tender process is initiated.
- Internal CDEC-SIC and CDEC-SING regulations, procedure manuals and/or other procedures.
- Technical information on the installations of the corresponding Interconnected System, as stipulated in number [\[Error! No se encuentra el origen de la referencia.\]](#) of these Bidding Terms and Conditions.
- “Ordinary Memo N° 3777 of the Superintendency of Electricity and Fuels issued on March 27, 2012.

This information will be made available to bidders by the Toll Administrations of the CDEC-SIC and CDEC-SING, respectively.

## 7 DEFINITIONS AND ABBREVIATIONS

To facilitate understanding of these Bidding Terms and Conditions, a glossary with key definitions and abbreviations is provided below:

- a) CDEC-SIC: Economic Load Dispatch Center of the Central Interconnected System.

- b) CDEC-SING: Economic Load Dispatch Center of the Norte Grande Interconnected System.
- c) Commission: National Energy Commission, a decentralized public agency established under Law Decree No. 2,224 on May 25, 1978 and modified by Law No. 20,402.
- d) Ministry: Ministry of Energy.
- e) SIC: Central Interconnected System.
- f) SING: Norte Grande Interconnected System.
- g) Expansion Plan Decree: Exempt Decree No. 82 of the Ministry of Energy, dated February 2012, and its subsequent modifications, as described in Article 99 of DFL No. 4.
- h) Adjudication Decree: decree issued by the Ministry of Energy, pursuant to Article 97 of DFL No. 4.
- i) Days: Unless otherwise indicated, in these Bidding Terms and Conditions or any pertinent regulatory provisions, the word "days" is understood to mean calendar days, that is, the continuous chronological sequence of 24-hour days beginning at midnight. Notwithstanding the above, where a deadline falls on a Saturday, Sunday or holiday, it shall be understood to end on the following business day.
- j) DFL No. 4: Executive Decree No. 4 of the Ministry of Economy, Development and Reconstruction, dated 2006, the General Law of Electric Services and its modifications.
- k) TA: Toll Administration of the CDEC-SIC or CDEC-SING, as indicated.
- l) Participant: A legal entity, or group of entities in the case of a consortium or association, that has purchased the Bidding Terms and Conditions and is participating in the bid preparation stage.
- m) Bidder: A participant who has submitted at least one bid, including an Administrative Bid, a Technical Bid and an Economic Bid, as set out in number 0 of these Bidding Terms and Conditions.
- n) Successful Bidder: The bidder that the TA has selected to implement and operate the project.
- o) Operation: Operation shall be understood to include the following: operation and administration of the Project's trunk line transmission installations, including interconnection of the installations of the Central Interconnected System or Norte Grande Interconnected System and their coordination via CDEC-SIC or CDEC-SING as provided for in current Chilean legal provisions; the proper maintenance of transmission installations; and the provision of transport service set out in DFL No. 4.
- p) Tender Process: The process by which the right to implement and operate each respective project is assigned, including the call for bids, awarding of the tender, supervision of its implementation and the technical audits performed until the works begin operations as part of the SIC or SING.
- q) Authority Responsible for Tender: The TAs for all matters related to each tender process.
- r) Bidding Terms and Conditions: The Technical and Administrative Bases that govern the tender process, including administrative aspects, the evaluation of bids, and the conditions and characteristics of technical audits conducted during the process of implementation of each project.
- s) Bond: A bank guarantee document issued by one of the institutions set out in *¡Error! No se encuentra el origen de la referencia.* of these Bidding Terms and Conditions, as defined in Chapter 8-11 of the Compiled Regulations of the Superintendency of Banks and Financial Institutions.

- t) Project: Each New Work included in the Expansion Plan Decree to be tendered internationally to assign the rights of implementation and operation, including the lines and installations needed for incorporation into the SIC or the SING, as set out in the Expansion Plan Decree and these Bidding Terms and Conditions.
- u) Superintendency: Superintendency of Electricity and Fuels.
- v) IV: Investment Value.
- w) AVI: Annual Investment Value.
- x) COMA: Cost of Operation, Maintenance and Administration.
- y) VATT: Annual Transmission Value by Segment, equal to the sum of AVI and COMA.
- z) Legalized document: A legalized document is one that has been duly endorsed by the Consulate of Chile in the country in which the documents originated and subsequently by the Ministry of Foreign Relations in Chile.
- aa) Legalized photocopy: A legalized photocopy is one that has been certified by a notary public to be a true copy of the original document. Where a document originates abroad, it must previously have been certified by the respective Consulate of Chile.

## 8 BIDS

### 8.1 GENERAL ASPECTS

The bid shall include an Administrative Bid, a Technical Bid and an Economic Bid, each of which must be submitted in separate envelopes in accordance with the manner, deadline, and location indicated in these Bidding Terms and Conditions.

As set out in number 1 of these Bases for the works to be tendered by CDEC-SIC, bidders who choose to present bids for two or more projects may submit a single Administrative Bid for any and all projects described in number 2.3 of these Bases. The protocol for submitting the administrative bid and the corresponding technical and economic bids is indicated in number [Error! No se encuentra el origen de la referencia.](#) of these Bases.

Notwithstanding the above, for CDEC-SIC new works, New 1x220kV Line A. Melipilla-Rapel and New 2x220 kV Line Lo Aguirre-A. Melipilla, a single bid must be submitted for both projects and they shall be awarded jointly, as though they were a single project.

#### 8.1.1 Bidding Costs

All direct and indirect costs associated with the preparation and submission of each bid shall be borne exclusively by the bidder, and neither the TA, nor the Ministry, nor the Commission shall be responsible in any way for these costs or for reimbursement of any kind.

#### 8.1.2 Bid Language

All bids and all appendices submitted must be written entirely in Spanish, except for equipment and installation catalogues, which may be submitted in English.



Any documents or information required for the Administrative Bid that were written originally in a language other than Spanish must be accompanied by a Spanish translation. In these cases, bidders must provide a sworn statement declaring that the translation faithfully renders the original documents and they are one and the same. The sworn statement must be signed by the bidder's representative and must be notarized by a notary public in Chile, in accordance with the model format indicated in **¡Error! No se encuentra el origen de la referencia.** of these Bases.

The cost of translating any document into Spanish shall be borne by the bidder.

### 8.1.3 Bid Currency

The currency used for all Economic Bids must be United States Dollars (US\$).

### 8.1.4 Validity of Bids

All bids must be valid for no less than 120 (one hundred and twenty) days, counted from the deadline for submitting bids set out in these Bidding Terms and Conditions, and this validity period must be indicated in each respective bid.

Any bid that includes a validity period that is less than that required, or that does not clearly specify the validity period, may be disqualified from the tendering process by the TA.

## 8.2 ADMINISTRATIVE BID

The Administrative Bid must contain all legal, commercial, financial and tax information required to identify the bidder, confirm its legal status, provide the guarantees needed to fulfill the provisions of Article 7 of DFL No. 4 for providing the public service of trunk transmission, and accredit the bidder's expertise in the field and financial solvency.

Administrative Bid for the New Work - New 2x220 kV Line Crucero – Lagunas, first circuit, must be submitted to the offices of the CDEC-SING.

Similarly, to participate in the tender for New Works – Second Ancoa 500/220 kV Transformer, New 1x220 kV Line A. Melipilla – Rapel, New 2X220 kV Line Lo Aguirre - A. Melipilla, with one circuit installed and New 2x220 kV Line Lo Aguirre - Cerro Navia, Administrative Bids must be submitted at the offices of the CDEC-SIC.

The documents that must be included in the Administrative Bids are described below.

### 8.2.1 Document 1: "Acceptance Statement of Bidding Terms and Conditions, their Appendices and Bid's Validity Period"

Bidders must submit a document stating that they accept the conditions and stipulations included herein, in addition to any appendices, and the validity period of the bid.

This document must be signed by the bidder's representative and must be notarized by a notary public in Chile.

Document 1: The "Statement of Acceptance of Bidding Terms and Conditions, their Appendices, and the Validity Period of the Bid" shall follow the format indicated in **¡Error! No se encuentra el origen de la referencia.** of these Bases.

If the statement is signed abroad, it must be duly legalized in accordance with Chilean law.

### 8.2.2 Document 2: "Bidder Description and Identification"

The bidder must submit a document that describes and identifies them.

In the case of consortia or associations that have been established especially for the purposes of this tender process, the above information must be submitted for each partner or member company.

The document must be signed by the entity's legal representative, defined in accordance with point c of this number.

Document 2: The "Bidder Description and Identification" must specify the following, at least:

- a. Legal Name of the entity
- b. Business name
- c. Legal representative or representatives of the entity
- d. Simple photocopy of the entity's tax identification number (RUT). Foreign legal entities must submit an equivalent tax document from their country of origin.
- e. Certified photocopy of the ID card of the legal representative(s) of the entity Foreign representatives must provide a photocopy of their identity document, issued by their country, duly legalized in accordance with Chilean law.
- f. Date of founding or start of business.
- g. Line of business or field in which the company operates.
- h. Address, telephone and fax numbers, web site (where applicable) and contact email.

### 8.2.3 Document 3: "Designation of Bidder's Representative"

Each bidder must submit a document appointing a representative or agent who is empowered exclusively to act on its behalf in the tender process before the TA. This designation must be set out in a public deed executed in Chile, or an authentic document of equal to a public deed executed abroad and duly legalized according to Chilean laws

The bidder's representative may be the legal representative of the bidder, or another person whom the bidder chooses to name as its legal representative or agent for the purposes of this tender, notwithstanding the powers this person may hold as the bidder's legal representative. In the above case, submission of Document 3 is not required.

Where the bidder is a consortium or association, the bidder's representative shall be clearly established in Document 4: "Consortium or Association Agreement" of these Bidding Terms and Conditions.

Document 3: "Designation of the Bidder's Representative" must specify the following, at least:

The bidder's representative must be granted sufficient authority to participate in each and every stage, act and contract that may result from this tender, and, as such, his or her actions must be legally binding on the bidder and be irrevocable during the entire tender process.

The bidder's representative must be authorized to submit the bid in a valid manner, attend and execute all acts, agree to or sign instruments and/or documents of any kind, enter into contracts and agree to their clauses, whether these be of its essence, intrinsic to it, or merely incidental; to pay, grant representations or delegate their authority to a third party, to agree to and grant guarantees or safeguards, whether real or personal, to agree to pay compensation, to grant and sign termination settlements and cancellations, and in general, to be endowed with all prerogatives necessary to properly implement the project(s).

Furthermore, in legal matters the bidder's representative must possess the authority referred to in both clauses of Article 7 of the Chilean Civil Procedure Code. In addition, the representative or another individual residing or domiciled in the city of Santiago, Chile, must be authorized to be summoned by the court, to make commitments, negotiate, designate arbitrators, approve agreements and receive payments.

The bidder's representative must have a designated domicile in the city of Santiago, Chile, which shall be understood to be the valid domicile for all legal purposes.

#### 8.2.4 Document 4: "Consortium or Association Agreement"

Where the bidder is a consortium or association, the bidder must submit a "Consortium Agreement" or "Association Agreement" in the form of a public deed issued in Chile, or an authentic document of equal value issued abroad and duly legalized in accordance with Chilean law.

The document must be signed by the legal representatives of the legal entities that are part of the consortium or association.

Document 4: "Consortium or Association Agreement" must include the following documents:

- a. A copy of the public deed of the "Consortium Agreement" or "Association Agreement," accompanied by its translation where the original document is in a language other than Spanish, outlining the following at least:
  - i. Legal name of the entities participating in the consortium or association.
  - ii. Percentage interest that each entity holds in the consortium or association.
  - iii. Conditions of said association for the purposes of the bid submission and the adjudication of the project implementation and operation.
  - iv. Designation of the legal representative(s) of the consortium or association.
  - v. Designation of one or more representatives or agents, exclusively empowered to act in the tender process before the TA; the bidder's representative(s) may also be the legal representative(s) of the consortium or association.
  - vi. Valid term or duration of the agreement, which may not end prior to the date on which the respective trunk transmission installations are transferred to the ownership of the Open Corporation exclusively dedicated to Electricity Transmission or

Transport that shall be constituted for this purpose, in the event that the bidder is awarded the tender.

- vii. An agreement to uphold its obligation to meet the requirements of these Bidding Terms and Conditions, the contents of their bid, and all pertinent legal provisions.
- b. Legalized photocopy of the identity card of the representative(s) of the consortium or association. Foreign representatives must provide a photocopy of their own identity documents, issued by their country, duly legalized in accordance with Chilean law.

Where the agreement is more than 60 days old, counting from the date on which the bid is submitted, the bidder shall provide a certificate attesting to its validity that is issued no earlier than 60 days before the same date.

At any stage of the tender process, the respective TA may request clarification regarding the Consortium or Association Agreement or any additional information related to its operation.

### 8.2.5 Document 5: "Bid Bond"

To ensure the correct fulfillment of the tender process in the adjudication stage, the bidder shall submit to the corresponding Tolls Administration one or more Bid Bonds, (as indicated in number ¡Error! No se encuentra el origen de la referencia. of these Bases) valid for no less than 220 days from the final bid submission date, in the amount(s) indicated for the respective works listed below:

- a) New 2X220 Line kV Crucero – Lagunas, first circuit: US\$ 970,000, equal to 2.5% of the reference IV of the Project.
- b) Second Ancoa 500/220 kV Transformer: US\$ 510,000, equal to 2.5% of the reference IV of the Project.
- c) New 1x220 Line A. Melipilla – Rapel, New 2x220 kV Line Lo Aguirre – A. Melipilla, with one circuit installed: US\$ 1.29 million, equal to 2.5% of the sum of the reference IVs of each project.
- d) New 2X220 kV Line Lo Aguirre – Cerro Navia: US\$ 1.37 million, equal to 2.5% of the reference IV of the Project.

These bonds must be obtained by the bidder and be payable to the Ministry of Energy, payable on demand and without notice to the issuing bank or payer, and the corresponding TA shall be responsible for executing this instrument where it verifies that the appropriate conditions have been met for the guarantee to be called in. For these purposes, the Ministry may endorse said bonds to the corresponding TA within 30 days following their receipt. This bond is intended to ensure that the bidder fully respects all conditions and amounts set out in its bid; otherwise, the corresponding TA shall proceed to call in the bond and shall inform the Ministry of the bidder's failure to fulfill said condition(s).

The aforementioned bond must be issued in Chile by a banking institution constituted in Chile, and at which the respective TA can call in the instrument. Depending on the project, the details of the Bond shall read: "Para garantizar la seriedad de la Propuesta en el Proceso de Licitación para la adjudicación de los derechos de explotación y ejecución de:

- e) *La Obra Nueva, Nueva Línea 2X220 kV Crucero – Lagunas, primer circuito, del Sistema interconectado del Norte Grande"*
- f) *La Obra Nueva, Segundo Transformador Ancoa 500/220 kV, del Sistema Interconectado Central"*
- g) *La Obra Nueva, Nueva Línea 1X220 kV A. Melipilla – Rapel y la Obra Nueva, Nueva Línea 2X220 Lo Aguirre – A. Melipilla, con un circuito tendido, ambas del Sistema Interconectado Central"*
- h) *La Obra Nueva, Nueva Línea 2X220 kV Lo Aguirre – Cerro Navia, del Sistema Interconectado Central"*

The respective TA shall confidentially notify each bidder of the custodial arrangement for the respective bond(s).

Bonds for bids that are rejected on administrative and/or technical grounds shall be returned to the bidders within 15 days of the date on which the Economic Bids are opened.

Bidders submitting bids that are accepted on administrative and technical grounds and that therefore participate in the Opening of Economic Bids, but that are not awarded the tender, shall have their bonds returned within 40 days following the publication in the Official Gazette of the respective Project's Adjudication Decree. Where the call for bids is declared deserted, the bonds shall be returned within 15 days of notification of this situation.

The Bid Bond(s) shall be returned to the successful bidder within 15 days following the date upon which the respective TA receives the following documents:

The "Performance Bond for First Project Milestone," as described in number *¡Error! No se encuentra el origen de la referencia.* of these Bidding Terms and Conditions. The "Performance Bond for Project Execution and Payment of Fines," as indicated in number *¡Error! No se encuentra el origen de la referencia.* of these Bidding Terms and Conditions.

If said documents have not been received at least 15 days previous to the date of expiry of the Bid Bond, the successful bidder must submit, in the same timeframe indicated, a new bond to the TA of CDEC-SIC or CDEC-SIC. The details, amount, and all other conditions of this bond, except for the date of expiration and validity period, must be exactly the same as those appearing on the original bond. Otherwise, the respective TA shall proceed to cash the bond and inform the Ministry of the bidder's failure to meet this condition. This new bond may be issued only once and its period of validity shall be 60 days from the date of expiration of the original bond.

#### 8.2.6 Document 6: "Legal Constitution of Bidding Firm(s)"

The bidder must submit documents regarding its legal constitution. For consortia or associations established specifically for the purposes of this tender process, the abovementioned documents must be submitted for each participating legal entity or member company.

These documents must include the following, depending on whether the entity in question is Chilean or foreign:

a. Chilean companies:

- i. An authorized copy of the public deed of constitution of the respective legal entity and all later modifications, with their corresponding registrations in the Commercial Registry of the corresponding Real Estate Registrar and publications in the Official Gazette, where appropriate.
- ii. Certificate issued by the General Manager of the bidding legal entity certifying the names of the respective legal representatives, their name(s) or business name(s), and participation of the ten largest partners or shareholders, which must in any case represent 51% of the equity of the bidder. Companies for which the ten largest shareholders do not comprise the abovementioned percentage must complete the list until reaching said percentage. Copy notarized by a notary public in Chile of the public deed stating the designation of the legal representative(s) of the legal entity.
- iii. Certificate issued by the respective Real Estate Registrar affirming that the corporation exists and is valid, issued within the 30 days preceding the date of submission of the bid(s).

b. Foreign Companies:

- i. A copy of the full document or articles of incorporation and all modifications, duly legalized in accordance with Chilean law, accompanied by its translation if the text of the original document is in a language other than Spanish. If a consolidated text of this instrument or articles of incorporation exists, the modifications that gave rise to the consolidation of said text do not have to be submitted;
- ii. Certificate issued by the General Manager of the bidding legal entity certifying the names of their respective legal representatives, their legal or business name, participation of the ten largest partners or shareholders, which must in any case represent 51% of the equity of the bidder. Companies for which the ten largest shareholders do not comprise the abovementioned percentage must complete the list until reaching said percentage.
- iii. Document(s) valid in their country to accredit the company's existence and validity, issued no more than 60 days prior to bid submittal.
- iv. Original copy of the public deed or foreign document, where appropriate, establishing the designation and authority of the bidder's representative, with domicile or residence in Chile, as set out in number 8.2.3 of these Bases.

All documents written in a language other than Spanish must be accompanied by an official Spanish translation of the original text. Foreign documents must be accompanied by proof that they are duly legalized in accordance with Chilean law.

#### **8.2.7 Document 7: "Public Deed Promising to Establish an Open Corporation exclusively dedicated to Transmission"**

The bidder must submit a document, in the form of a public deed issued in Chile, in which it pledges, if awarded the tender, to constitute or be constituted in Chile as a Public Corporation exclusively dedicated to Electricity Transmission or Transport, within 30 days following the date of publication in the Official Gazette of the respective Project Adjudication Decree by the Ministry.

If the bidder, on the date its bid is submitted, is already constituted in Chile as an open corporation exclusively dedicated to electricity transmission, the bidder must provide information certifying this situation under Document 7 of the Administrative Bid.

Once the project enters into service as stipulated in the Adjudication Decree, the respective trunk transmission line installations must be transferred to the open public corporation exclusively dedicated to electricity transmission or transport that the successful bidder has established, in order for said corporation to operate the installations in accordance with the provisions of Article 7 of DFL No. 4.

Failure to fulfill this pledge shall result in the cashing of the bond as set out in number 0 of these Bidding Terms and Conditions and the immediate annulment of the adjudicated tender, in which case the TA shall proceed as set out in number 1 of these Bases.

#### 8.2.8 Document 8: "Bond for Establishment of an Open Public Corporation Exclusively Dedicated to Transmission"

The bidder shall submit a bond to guarantee its obligation to constitute a Public Open Corporation Exclusively Dedicated to Transmission or Transport. This bond must be obtained by the bidder and made out to the Ministry of Energy, and must be payable on demand. The TA shall be responsible for executing said instrument when this entity verifies that the conditions allowing it to be cashed have been met. For these effects, the Ministry must endorse this bond to the TA within 30 days after its reception.

This document shall ensure that the successful bidder has met the condition to establish an Open Corporation dedicated exclusively to Transmission or Transport within the timeframe established in these Bidding Terms and Conditions and the corresponding Adjudication Decree. Otherwise, the TA shall proceed to cash the bond and shall inform the Ministry that the condition has not been met.

The bond must be issued in Chile by a banking institution constituted in Chile, and at which the respective TA can cash the instrument. It must be payable on demand and be valid for 220 days from the deadline for submission of each bid and be in the amount of US\$ 2 million.

The detail of the bond for the New Work- New 2X220 kV Line Crucero – Lagunas, first circuit, must be as follows: *"Para garantizar, en caso de ser Adjudicatario del Proceso de Licitación efectuado por la Dirección de Peajes del CDEC-SING, del cumplimiento de la obligación de constitución de Sociedad Anónima Abierta de Giro Exclusivo de Transmisión o Transporte, de acuerdo a los plazos y condiciones establecidos en el Decreto de Adjudicación de los derechos de explotación de la Obra Nueva "Línea 2X220 kV Crucero – Lagunas, Primer circuito" del sistema de transmisión troncal del SING, dictado por el Ministerio de Energía".*

For works to be tendered by CDEC-SIC, the detail of the bond must be as follows: *"Para garantizar, en caso de ser Adjudicatario del Proceso de Licitación efectuado por la Dirección de Peajes del CDEC-SIC, del cumplimiento de la obligación de constitución de Sociedad Anónima Abierta de Giro Exclusivo de Transmisión o Transporte, de acuerdo a los plazos y condiciones establecidos en el Decreto de Adjudicación de los derechos de explotación de la Obra Nueva "(nombre del proyecto o*

*los proyectos en caso de que se presente a dos o más Obras Nuevas) “ del sistema de transmisión troncal del SIC dictado por el Ministerio de Energía”.*

The TA shall confidentially inform each bidder of the custody conditions of the corresponding bond.

The bond for the creation of an Open Corporation exclusively dedicated to Transmission or Transport shall be returned to bidders that are not awarded the tender, in accordance with the deadlines and conditions set out in number 0 of these Bidding Terms and Conditions.

The Bond for the Creation of an Open Corporation Exclusively Dedicated to Transmission or Transport shall be returned to the bidder by the respective TA within 15 days following receipt of the correct documentation attesting to the creation of an Open Corporation Exclusively Dedicated to Transmission or Transport.

In the event that the consortium, association or company awarded the tender has not been established as an Open Corporation Exclusively Dedicated to Transmission or Transport at least 15 days before the expiry of the bond provided in the tender process to the TA of the respective CDEC, the successful bidder shall provide to the TA, within the same timeframe indicated, a new bond having the same conditions as the original bond, except for its period of validity, which shall be 60 days after the date of expiry of the original bond. Otherwise, the TA shall proceed to cash the bond and shall inform the Ministry that the condition has not been met.

Where, on the date the bid is submitted, the bidder is already an Open Corporation Exclusively Dedicated to Transmission established within Chile, the submission of Document 8 shall not be necessary.

#### **8.2.9 Document 9: "Statement of Acceptance of the Operating Conditions"**

The bidder must present a document declaring its complete acceptance and knowledge of all operating, exploitation and remuneration conditions to which it will be subject if awarded the tender, pursuant to DFL No. 4 and regulations currently in force.

This document must be signed by the bidder's representative and must be notarized by a notary public in Chile. Document 9: The "Statement of Acceptance of the Operating Regime" must follow the format indicated in [Error! No se encuentra el origen de la referencia.](#) of these Bases.

#### **8.2.10 Document 10: "Statement of Acceptance of Legal Obligations and Fines"**

The bidder must present a statement affirming its full acceptance and knowledge of the current legislation to which it shall be subject where the bidder is adjudicated the tender, including that which establishes its rights and responsibilities as a trunk transmission line concession holder in relation to the regulatory and oversight authorities and the system's coordinating agency (CDEC), as well as the regime of sanctions and fines currently in force in Chile.

This document must be signed by the bidder's representative and must be notarized by a notary public in Chile. Document 10: The "Statement of Acceptance of Legal Obligations and Fines" must follow the format indicated in [Error! No se encuentra el origen de la referencia.](#) of these Bidding Terms and Conditions.



### 8.2.11 Document 11: "Commercial and Financial Information"

The bidder must submit all information needed to allow the TA to assess the company's or companies' commercial condition and financial solvency. In the case of consortia or associations that have been established especially for the purposes of this tender process, the above information must be submitted for each partner or member company.

Document 11: "Commercial and Financial Information" must include the following documents:

- a. Sworn statement from the bidder's legal representative listing all Chilean and/or international financial institutions with which the bidder operates or maintains financial obligations.

For each financial institution identified, the bidder must submit commercial reports indicating any protests, arrears or history of default of its financial obligations. Where a (non-bank) financial entity does not issue these kinds of reports, a report from an international auditing firm with offices in Chile is admissible.

If the indicated financial institutions do not use the term "protest," alternately they must clearly accredit the bidder's strict compliance with its obligations and handling of its account(s).

The abovementioned statement and reports must have been issued during the nine-month period prior to the date of submission of bids.

- b. Certified original copies from the corresponding external auditor of consolidated financial statements for the past three fiscal years, audited by independent auditors, with their respective annotations.
- c. Calculation of the "Debt/Equity Ratio" and "Coverage of Financial Expenses" for the company, consolidated in accordance with the formulas set out in *¡Error! No se encuentra el origen de la referencia.*, for each of the past three audited consolidated financial statements provided by the bidders in accordance with letter b) of this number.
- d. Risk Classification Certificate prepared by one of the institutions listed in *¡Error! No se encuentra el origen de la referencia.* of these Bidding Terms and Conditions and issued in the twelve-month period leading up to submission of the bid(s).

The Certificate must be supported by a report from the issuing institution summarizing the company's risk analysis or the methodology used to determine risk.

Where the risk classification company does not issue physical copies of certificates in Chile, a printed copy of an electronically issued certificate will be accepted.

- e. Certificate accrediting that the company has complied with all of its labor and social benefit obligations.

For Chilean legal entities, this shall be obtained as a certificate from the Labor Office corresponding to its domicile, indicating that said obligations are up to date.

For foreign legal entities, the bidder must submit a certificate duly legalized in Chile. The certificate must be issued in accordance with the legislation in effect in the issuing country and, where that country's authorities do not issue such certificates, certification of the fulfillment of the bidder's labor and social benefit obligations may be obtained from an external auditor and must be duly validated by the legal representative of the bidding legal entity.

This certificate must have been issued no more than 90 days before the date of presentation of the bid(s).

The above described information to be submitted by bidders shall be evaluated as set out in **¡Error! No se encuentra el origen de la referencia.** of these Bidding Terms and Conditions.

#### 8.2.12 Document 12: "Projected Financing Structure"

Bidders must present a description of the estimated financing structure, indicating the percentages of own debt and capital considered for the construction stage of the project, specifying the credit institutions and/or other financing entities that have participated or are participating as the bidder's advising agents.

Additionally, for the implementation stage of the work and for a total of 240 successive months (20 years) from the date the project enters into service, the bidder must provide a financial projection in which it indicates the capital contribution, estimated debt, estimated expenses of the corresponding investment and estimated financial costs.

#### 8.2.13 Document 13: "Experience and Technical Competence of the Bidder"

The bidder must submit information that enables the respective TA to assess its experience and technical competence, indicating primarily its experience in the operation of electricity transmission systems. In the case of consortia or associations that have been established especially for the purposes of this tender process, the above information must be submitted for each partner or member company.

For these effects, Document 13: "Experience and Technical Competence of the Bidder" must include the following information:

- a) Information about transmission lines with a voltage level of more than 110 kV that the bidder has built or operated, detailing its form of participation (implementation, operation or both), date of commissioning, voltage level, number of kilometers and transport capacity (MVA).
- b) Information about substations, transformers or compensation equipment with a voltage level in the high yard equal to or greater than 110 kV, that the bidder has built or operated, detailing the form of participation (implementation, operation or both), date of commissioning and transformation capacity (MVA).
- c) Information about transmission line projects with voltage greater than 24 kV.

The abovementioned information must be submitted following the format indicated in **¡Error! No se encuentra el origen de la referencia.**

The bidder's experience in both distribution and generation segments shall be evaluated as indicated in **¡Error! No se encuentra el origen de la referencia.**

For these purposes, in the case of consortia or associations, only information for companies with at least a 30% share in the corresponding consortium or association shall be considered relevant.

Furthermore, in each case, for the systems or works for which the bidder has been responsible over the last five years, certificates of proper operation (and implementation if applicable) must be provided.

Where the bidder's country of origin has no institutions that issue certificates of proper operation and implementation, the bidder must provide equivalent certificates from a specialized external consultant to the company, or, failing this, reports on failures and interruptions of its installations by the system operator of the respective country. These certificates must be duly validated by the bidder's legal representative.

The above mentioned information must be submitted in the format indicated in **¡Error! No se encuentra el origen de la referencia..** This information may include projects implemented and operated by the parent company or subsidiaries of bidding companies, but must not include those corresponding to subcontracted companies.

### 8.3 TECHNICAL BIDS

For each project for which a bidder submits a bid, it must also submit a separate Technical Bid.

Technical Bids for the New Work - New 2x220 kV Line Crucero – Lagunas, first circuit, must be submitted to the office of the CDEC-SING.

Similarly, for the New Works – Second Ancoa 500/220 kV Transformer, New 1x220 kV Line A. Melipilla – Rapel, New 2X220 kV Line Lo Aguirre - A. Melipilla, with one circuit installed, and New 2x220 kV Line Lo Aguirre - Cerro Navia, Technical Bids must be submitted to the address indicated by the Toll Administration of the CDEC-SIC.

Each Technical Bid must include the documents listed below.

#### 8.3.1 Document 14: "Project Timeline"

The bidder must submit a timeline for the implementation of each project (Gantt chart), indicating the activities and milestones for each project that the bidder will meet during implementation of the project.

Each activity included in the timeline must indicate a start date, duration and flexibility. The flexibility of an activity is defined, for these purposes, as the maximum delay that the activity may experience without delaying the project's entry into service within the time period specified.

Each project milestone included in the timeline must indicate a deadline for its completion, counted in calendar days.

For the purposes of the previous two paragraphs, the start dates for project activities and fulfillment of milestones must be specified with the word "day" followed by the number corresponding to the date in question (day 1, day 2, day 3, etc.).

It is hereby established that day 1 of this timeline shall correspond to the date of publication in the Official Gazette of the respective Adjudication Decree.

Notwithstanding the above, the timeline shall include bars that represent the duration of project activities, the length of which shall be measured in months. The timeline shall also include graphic representations that indicate the activities that shall precede or follow others.

Among the milestones indicated in the timeline there must be five Relevant Milestones, as set out below:

- i. Relevant Milestone No. 1: Contracted Insurance policy and detailed specifications study to establish the project details: A study must be submitted for each project, with the detailed specifications for reactors and circuit breakers, among others, and that includes dynamic system studies, which must guarantee the correct operation of these installations when connected to the respective Interconnected System. Additionally, the civil responsibility insurance policies for third-party damages and catastrophic insurance policies that the successful bidder has contracted must also be provided.

These shall be verified by:

- a. Proper reception by the TA of the respective CDEC of the civil responsibility insurance policy for third-party damages, as indicated in number *¡Error! No se encuentra el origen de la referencia.* of these Bases, and a catastrophic insurance policy as indicated in number *¡Error! No se encuentra el origen de la referencia.* of these Bases.
- b. Approval by the project auditor and by the corresponding CDEC of the study establishing the detailed specifications of the project.

This milestone must be met within 365 calendar days following the publication of the corresponding Adjudication Decree in the Official Gazette.

- ii. Relevant Milestone No. 2: Obtaining an Environmental Qualification Resolution and Submission of the Final Concession Request: These correspond to the approval by the competent agencies of the environmental impact study or statement, as applicable, that the successful bidder must submit, and the presentation of the final request for concession to the Ministry of Energy.

Possession of the environmental Qualification Resolution may be proven by verification that the resolution has been issued by the competent agency. The admissibility of the concession request shall be proven by submission of the corresponding memo issued by the Ministry of Energy.

- iii. Relevant Milestone No. 3: Construction of foundations: In the case of transmission lines, this shall be proven by an on-site inspection by the technical audit staff, as described in number *¡Error! No se encuentra el origen de la referencia.* of these Bidding Terms and Conditions, verifying at least 50% progress in the construction of the line structure foundations.

For the New Work Second Ancoa 500/220 kV Transformer this shall be proven by on-site inspection by technical audit and inspection staff, as mentioned in number *¡Error! No se encuentra el origen de la referencia.* of these Bidding Terms and Conditions, verifying at least 50% progress in the assembly of the transformer equipment on-site and the installation and

construction of 50% of the equipment's security and auxiliary systems and the civil works at the Ancoa substation.

- iv. Relevant Milestone No. 4: Equipment Test: This corresponds to the trial and/or testing of the equipment included in the New Work, such as circuit breakers, insulators, transformers, measurement equipment, among others. Fulfillment of this milestone shall be proven by the project auditor's approval of the testing reports. The types and number of trials, their standards and the laboratories to be used, as well as the quantity and equipment to be tested shall be determined by the project auditor based on the type of project and its scope. Each successful bidder shall be fully responsible for the costs associated with the trials and tests.
- v. Relevant Milestone No. 5: Project Commissioning: This corresponds to the finalization of the corresponding project's entry into service. Fulfillment of this milestone shall be proven by an on-site inspection by technical audit staff, as described in number [0](#) of these Bidding Terms and Conditions, verifying the correct commissioning of each project in accordance with the provisions of the Technical Bid and those of these Bidding Terms and Conditions.

The period of time between Relevant Milestones must be 6 months or longer.

Notwithstanding the above, the successful bidder may request modification of the date established for each of the first four Relevant Milestones no later than 30 days before the deadline established for each milestone, which may be approved by the respective TA. If the TA approves the changes requested, these must be reported by the corresponding TA to the Ministry, the Commission and the Superintendency, no later than 5 days following their acceptance. For this purpose, the successful bidder must renew the corresponding bond, as set out in number [0](#) of these Bidding Terms and Conditions, extending its validity period to 60 days following the new deadline agreed upon for the modified milestone. The successful bidder must deliver this new bond into the custody of the respective TA no later than 30 days before the end of the original validity period of the bond that is extended, and on the same date must submit a new Deadline Compliance Commitment as indicated in number [0](#) of these Bases. Otherwise, the respective TA shall proceed to call in the corresponding bond, regardless of whether the deadline extension requested is approved.

### 8.3.2 Document 15: "Deadline Compliance Commitment"

The bidder must submit a private deed signed before a notary public in Chile, in which it commits to meeting the deadlines and milestones set out in the Gantt chart described in the previous number.

Furthermore, this commitment shall establish that, should the bidder be awarded the tender, it pledges that each project will enter into service no later than the deadline indicated in the project Adjudication Decree issued by the Ministry.

This document must be signed by the bidder's representative, as defined in number 8.2.3 of these Bases.

If the TA approves any changes to the Relevant Milestones in accordance with the previous number, the successful bidder must submit a new Deadline Compliance Commitment following the new Relevant Milestones, under the same conditions established in the previous paragraph, no later than 30 days before the expiry of the original bond that was extended as indicated in the previous number.

### 8.3.3 Document 16: "Technical Description of the Project"

The bidder must submit the following information regarding the Project identified in number 2 of these Bidding Terms and Conditions, which shall constitute the specific characteristics of the Project Bid, and which must be in accordance with the provisions of the Expansion Plan Decree and these Bidding Terms and Conditions:

- a) Basic information on transmission lines:
  - i. Maximum transmission capacity of the line, in relation to ambient temperature, for each circuit (MVA).
  - ii. Estimated length of the line (km).
  - iii. Positive, negative and zero sequence resistance ( $r_1$ ,  $r_2$  and  $r_0$ ) in  $\Omega/\text{km}$  and by unit, 100 MVA base.
  - iv. Positive, negative and zero sequence resistance ( $x_1$ ,  $x_2$  and  $x_0$ ) in  $\Omega/\text{km}$  and by unit, 100 MVA base.
  - v. Positive, negative and zero sequence susceptance ( $B_1$ ,  $B_2$  and  $B_0$ ) in  $\text{mS}/\text{km}$  and by unit, 100 MVA base.
  - vi. Line capacity curve (MVA) versus ambient temperature ( $^{\circ}\text{C}$ ).
  - vii. Capacity and voltage level of the reactors to be installed in the respective substations.
  - viii. Operating flexibility at substations connected to the corresponding Interconnected System.
  - ix. No. of bays, indicating the details of each one, for both the line as well as the bays and/or positions of the projected second circuit (for construction of the first circuit only), among others.
  - x. Line measurement and protection system.
  - xi. Conductor section(s) ( $\text{mm}^2$ ).
  - xii. Type of conductor(s) (ACSR, ACAR, etc.).
  - xiii. Number of conductors per phase.
  - xiv. Average span (km).
  - xv. Estimated area to be used in each substation.
  - xvi. Simplified single line diagram showing the primary equipment components and their interaction with existing installations, considering possible operational and physical solutions.
  - xvii. Site plan of installation locations, showing the feasibility of specific solutions in relation to existing installations.
  - xviii. Diagrams and detailed description of the following project systems:
    1. Control
    2. Protections

3. Communication
4. Security

xix. Width of safety perimeter (m).

xx. Basic substation information:

1. Busbar arrangement.
2. Number of 220 kV yards and others.

xxi. Characteristics of the guard wire.

xxii. Quantity, capacity and area to be used by static condenser banks.

xxiii. Site plan of the facility, showing the positioning of all substation equipment. It also must show:

1. Total area to be used
2. Yard area
3. Control building area
4. Compensation platform area
5. Area available for future development
6. Streets and roads

xxiv. Simplified single line diagram showing primary equipment components and how they interact with the installations, including possible operational and physical solutions.

xxv. Description of auxiliary services:

1. Single line diagram of AC and DC auxiliary services, including main and secondary distribution busbars
2. Design criteria
3. Back-up time of battery banks
4. Estimated capacities

b) Transformation type and characteristics:

- i. Positive, negative and zero sequence parameters ( $r_1$ ,  $r_2$  and  $r_0$ ) in  $\Omega$  and per unit, 100 base MVA, for both resistance and reactance of the series and parallel branches (dispersion and magnetization). The above applies to the different cooling stages considered.
- ii. Maximum transformation capacity (MVA).
- iii. Transformation capacity with and without forced ventilation, in MVA, between yards, versus ambient temperature.
- iv. Stages and types of cooling considered.
- v. Description and characteristics of oil or silicone insulation to be used.
- vi. Description and characteristics of coil insulation.
- vii. Description of connection groups and coil taps.
- viii. Type and characteristics of transformation unit bushings.
- ix. Description and characteristics of systems for measurement, control and protection of transformation equipment.

- x. Type and characteristics of transformation equipment auxiliary services.
- xi. Description and characteristics of fire protection and security systems for the transformation equipment.

c) Other Information:

- i. Description of the data transmission system
- ii. Description of the vibration protection system
- iii. Description of the types of structures
- iv. Description of the insulation arrangement
- v. Description of the protection system for atmospheric discharges
- vi. Description of the grounding mesh
- vii. Description of types of reactor units and back-up units (triphase or monophasic)
- viii. Description of automatic control facilities for project reactors

For each system described in this point, a qualitative description and the corresponding diagrams must be provided.

d) Calculation log for operation of new works:

A calculation log must be submitted that shows that the resulting electrical parameters for the projected line produce a balanced distribution of energy transmission between the works "New 1X220 kV Line A. Melipilla – Rapel", "New 2X220 kV Line Lo Aguirre – A. Melipilla, with one circuit installed" and "New 2X220 kV Line Crucero – Lagunas, first circuit" and existing parallel lines.

In addition, a calculation log must be submitted that shows that the equipment proposed for the New Work – Second Ancoa 500/220 kV Transformer, produces a balanced distribution of energy transmission with the transformer currently installed at this substation. The corresponding CDEC shall define the transference levels that should be used to perform the calculations.

e) Minimum information requirements for each project:

For the descriptions mentioned in the previous paragraphs, bidders must include the following minimum information for each project:

- i. For the description of the type of structures and insulation arrangement, for cases of first circuit construction, which is in the projects "New 2x220 Line Lo Aguirre A. Melipilla, with one circuit installed" and "New 2x220 kV Line Crucero – Lagunas first circuit," each project's line must include at least the installation of all cross braces to support both circuits. For the second circuit, only the installation of insulator chains with fittings and the conductor itself should remain pending. For the purposes of each project's design, the second line circuit should be considered to have characteristics similar to the first circuit.
- ii. New 220 kV line projects must have an ohm/kilometer resistance of no more than 0.1 ohm/km per phase for the design conditions established for each project.
- iii. For the New 2x220 kV Line Lo Aguirre - Cerro Navia, the bid must consider the interference that the project may encounter due to its location near Santiago International Airport and its location in



an urban area in the segment closest to the Cerro Navia substation, among other considerations. The project must achieve resistance of no more than 0.015 ohm/km.

- iv. For the construction of underground segments, dry cable must be used. In addition, the civil works required for the implementation of the ducts or tunnels needed to install the conductors must be taken into account. In the New Work Second Ancoa 500/220 kV Transformer, the bid must take into account the required compatibility between the equipment currently installed and that which is included in the bid, in order to verify the flexibility of the new installations. Refrigeration and back-up capacity should enable the equipment to operate continuously at the desired transmission capacity. The bid must also consider all safety and protection equipment that the installed equipment requires, and it is the successful bidder's responsibility to implement and maintain this equipment in optimal condition.
- v. The design capacity shall be that at which the line can operate continuously and permanently under the environmental conditions indicated, subject to all other design limitations. A wind speed of 0.61 m/s shall be considered for transmission lines.

#### 8.4 ECONOMIC BIDS

The bidder shall not include in its Economic Bid the costs of the use of shared installations, land, auxiliary services, communication services and all other installations related to the corresponding Interconnected System that are not part of the project. The amount and payment by users of the transmission system shall be determined later in accordance with current legal provisions. In addition, all costs related to complementary or additional works that arise during the construction of the project, or at the time the project is connected to the system, must be subject to the provision set out above. All other costs shall be understood to be included in the Economic Bid.

The Economic Bid of the successful bidder shall constitute the remuneration for each project, as set out in Article 95 of DFL No. 4.

##### 8.4.1 Document 17: "Project Economic Bid"

In its Economic Bid, the bidder must offer an "Annual Value of Transmission per segment" (VATT, for its abbreviation in Spanish) for each project as of the estimated date on which the project shall be awarded. This amount must be in United States dollars (US\$). This bid (indexed according to the formula established in ¡Error! No se encuentra el origen de la referencia.) shall constitute the remuneration for each project and shall be applied over five tariff periods, after which time the installations and their valuation must be reviewed and updated in the corresponding Trunk Transmission Line Study. In addition, the bidder must indicate the AVI and COMA that comprise the VATT included in the bid.

Economic Bids for the New Work - New 2x220 kV Line Crucero – Lagunas, first circuit, must be submitted to the office of the CDEC-SING.

Similarly, Economic Bids submitted for the New Works – Second Ancoa 500/220 kV Transformer, New 1x220 kV Line A. Melipilla – Rapel, New 2X220 kV Line Lo Aguirre - A. Melipilla, with one circuit installed, and New 2x220 kV Line Lo Aguirre - Cerro Navia, must be submitted at the office of the CDEC-SIC.

In the case of New Works: For New 1X220 kV Line A. Melipilla – Rapel and New 2X220 kV Line Lo Aguirre – A. Melipilla, with circuit installed, a single Economic Bid must be submitted for the joint

implementation of both Projects, with the corresponding AVI and COMA individually detailed for each project.

For the purpose of evaluating the Economic Bids, the annual value of transmission proposed by the bidder must not include VAT (IVA, as it is known in Chile).

The tariff periods indicated refer to the four-year tariff periods stipulated in Article 84 of DFL No. 4.

During the period for which the remuneration applies, it shall be indexed following the formula described in [¡Error! No se encuentra el origen de la referencia.](#)

All payments for transport or transmission services made to the company that owns each project shall be made according to the provisions of Articles 101 and following DFL No. 4.

The remuneration period applicable to each project awarded shall cover a total of 240 successive months (20 years), as of the date that the project enters into service. The start date and end date of the abovementioned remuneration period shall be established in detail in the respective Adjudication Decree.

## 9 QUESTIONS REGARDING THE TENDER PROCESS AND SUBMISSION OF BIDS

### 9.1 PROTOCOL OF QUESTIONS AND ANSWERS REGARDING THE BIDDING PROCESS AND INFORMATION REQUESTS

Each TA will make available to the participants, through the web site of the CDEC-SIC or CDEC-SING (as appropriate), all relevant technical and commercial information that is currently available, so they may prepare bids related to the facilities of the Central Interconnected System or Norte Grande Interconnected System, as the case may be. Such information shall include the following, at least:

#### a) General documentation:

- i. List of all applicable standards and their respective files;
- ii. Background information and/or connection and short circuit studies, and
- iii. Background information and/or studies relative to protections.

#### b) Substations:

- i. List of all applicable standards and their respective files;
- ii. Site plan of the substation;
- iii. Line diagram with details of protections;
- iv. Layout of the primary equipment in the yard;
- v. Layout of equipment in the control room, with information on the availability of space;
- vi. Substation ground mesh;
- vii. Line diagram of the auxiliary services, including the existing availability of services for the project;
- viii. Map of the cable ducts.

- c) Transmission line:
  - i. If it is necessary to lay out a line-out, this must be indicated on a map.
- d) System equipment
  - i. Electrical parameters of system equipment required for conducting evaluations.
  - ii. Physical dimensions of the equipment.
  - iii. Physical dimensions of the installations.
- e) Telecommunications:
  - i. Background information and/or studies on the definition of the available frequency.

However, in the absence of updated information, the following will prevail: the information available in the trunk transmission study; its supporting information; the annual review carried out by each TA, as per Article 99 of DFL No. 4 and the Annual Plan.

Notwithstanding the foregoing, the participants may make inquiries about these Bases and submit them formally in writing to the respective TA, up to the date established for that purpose in paragraph 3 of the present Bidding Terms and Conditions, in an envelope addressed to Toll Administration of CDEC-SIC or CDEC-SING, with the following information written on the envelope:

Works to be tendered by CDEC-SING:

Mr. Daniel Salazar Jaque

Dirección de Peajes CDEC-SING

Av. Apoquindo 4501, oficina 603-604, Las Condes

Santiago

Chile

NAME OF BIDDER: \_\_\_\_\_

SUBJECT MATTER: CONSULTAS A LA DP DEL CDEC-SING RESPECTO DEL PROCESO DE LICITACIÓN DEL PROYECTO "Obra Nueva Línea 2X220 kV Crucero – Lagunas, primer circuito"

Works to be tendered by CDEC-SIC:

Señor Eduardo Ricke Muñoz

Dirección de Peajes CDEC-SIC

Teatinos 280, Piso 12

Santiago

Chile

NAME OF BIDDER: \_\_\_\_\_

SUBJECT MATTER: CONSULTAS A LA DP DEL CDEC-SIC RESPECTO DEL PROCESO DE LICITACIÓN DEL PROYECTO " \_\_\_\_\_(Name of the Project)\_\_\_\_\_ "

The contents of the envelope will be examined by personnel of the respective TA. Participants will receive a certificate of receipt of the envelope containing the questions, including the date of receipt thereof. A copy of the questions must also be sent by e-mail to: [licitacion@cdec-sic.cl](mailto:licitacion@cdec-sic.cl) or [licitación@cdec-sing.cl](mailto:licitación@cdec-sing.cl) as appropriate.

The questions must be submitted in accordance with the format specified in Appendix 11 of these Bidding Terms and Conditions. The TA will not accept consultations presented in formats other than those defined in said appendix.

Both the responses to the formal questions submitted by participants and the clarifications to these Bases, shall be public and will be included in communications called "Explanatory Circulars," addressed to all parties who made the inquiries, subject to the deadlines specified in number 3 of these Bases and the requirements set out in this paragraph, which will be made available to them via the e-mail address indicated in the record referred to in number 4.2 of these Bases or on the envelope containing the questions presented to the respective TA, as indicated above. Additionally, these explanatory circulars will be published on the website of the CDEC-SING or CDEC-SIC, whichever is applicable, on the same date they were communicated to the parties who submitted questions.

The Explanatory Circulars shall meet the Bases' requirements concerning clarity and relevance and will provide complete answers on the matters consulted. Participants will have some time to request clarifications and additional information they may consider relevant, within the framework of the matters consulted.

Corrections, amendments or additions may be made to these Bases as a result of the question and answer process, or if considered advisable by any of the TAs, this may occur up to the published deadline for responding to inquiries from the participants. Corrections, amendments or additions to these Bases may only be incorporated into the Bases with prior approval by the Commission.

There will be coordination between the TAs in order to maintain the uniformity of the answers or clarifications in relation to the various Administrative Bids.

## 9.2 PROTOCOL FOR BID SUBMISSION

The respective TAs will receive the bids, individually, in a private ceremony to be held at the offices of the CDEC-SING or the CDEC-SIC, on the days and times indicated in number 3 of these Bases. The bidder will receive a copy of the acts evidencing receipt of the bid, which will record the date and time of receipt, and the formal content of the same (as discussed below). Also, in those acts the bidder shall declare that the information it has submitted is true and accurate in accordance with the Bases, and shall accept the condition that submission of false or misleading information empowers the respective TA to disqualify the bid in question from the tender process. Similarly, these acts shall state that the bidder waives any subsequent claims before the respective TA, the Ministry or any

other entity, in relation to missing or inadequate information the bidder may have submitted to participate in the process.

Bids must be submitted in separate envelopes, clearly indicating which one contains the Administrative Bid, the Technical Bid, and the Economic Bid, and clearly stating the name of the bidder, and identifying the bidding company, or the companies that are part of the consortium or association that is submitting the bid. In the case of the Technical and Economic Bids, the envelope shall also contain the name of the respective project in regard to which the bid is being made. The deadline for delivery of the envelopes is the date and time indicated in number 3 of these Bases.

Each envelope must be closed and sealed, and shall contain therein a printed original and one copy of the bid and accompanying documents, as well as a CD or DVD containing all of the above in MS Office and/or Adobe Acrobat PDF formats, to make it possible to reproduce the printed documents included in the bid.

In the case of works to be tendered by CDEC-SIC, bidders who choose to submit bids for two or more projects, as described in number 8.1 of these Bases, may submit a single Administrative Bid for multiple projects listed in section 2.3 of these Bases. In such case, the bidder must provide -- in its Administrative Bid -- as many bid bonds as projects for which it is submitting bids. Each of the bid bonds shall meet the requirements of number 8.2.5 of these Bases.

In the case of the works to be tendered by CDEC-SING, the bidder must include the bid bond in the Administrative Bid to be submitted to the Toll Administration of the CDEC-SING. The bid bond shall meet the requirements of number 8.2.5 of the Bases. In the event that any of the bid bonds does not meet the requirements set out in number 8.2.5, as mentioned above, the bidder will be automatically eliminated from the bidding process in regard to the specific project associated with the aforementioned bid bond.

Bids must be delivered to the address indicated below. The envelopes must be labeled and addressed to the Toll Administration of the CDEC-SING or the CDEC-SIC, as appropriate, as follows:

Works to be tendered by the CDEC-SING:

Mr. Daniel Salazar Jaque

Dirección de Peajes CDEC-SING

Apoquindo 4501, oficina 603-604, Las Condes

Santiago

Chile

NAME OF BIDDER: \_\_\_\_\_

OFFER: Administrative, Technical, or Economic (as appropriate)

PROJECT: "Obra Nueva 2X220 kV Línea Crucero – Lagunas, primer circuito"

Works to be tendered by the CDEC-SIC:

Mr. Eduardo Ricke Muñoz

Dirección de Peajes CDEC-SIC

Teatinos 280, Piso 12

Santiago

Chile

NAME OF BIDDER: \_\_\_\_\_

OFFER: Administrative, Technical, or Economic (as appropriate)

PROJECT: "Project Name"

The TA will not accept under any circumstances that bidders deliver the missing documents requested in the Bidding Terms and Conditions, nor will it accept any bid after the deadline date and time indicated for receipt of bids.

### 9.3 ERRORS OR OMISSIONS IN THE BIDS

Errors, omissions, amendments, deletions, and/or inaccuracies in the translation of documents, or irregularities of any kind in the bids or the documents that are part of the bid, whether mathematical in nature or otherwise, shall be the sole responsibility of the bidder and shall not affect in any way the prices indicated in the Economic Bid or the obligation to comply with these Bases. In any case, such circumstances will empower the respective TA to eliminate the bid in question from the tender process.

## 10 BID OPENING AND EVALUATION

### 10.1 GENERAL PROCEDURE FOR OPENING AND EVALUATING THE BIDS

The criteria to be considered in the evaluation of bids are: fulfillment of administrative and commercial requirements, technical quality, and economic value of the bid.

The stages of opening and evaluating the bid will be realized in the manner shown below:

1. Opening of the Administrative Bid.
2. Opening of Technical Bid.
3. Evaluation of the Administrative Bid
4. Evaluation of Technical Bid.

## 5. Opening and Evaluation of Economic Bid.

Below are the conditions and requirements that must be met before proceeding with the opening and evaluation of each of the bid.

### 10.2 OPENING AND EVALUATION OF ADMINISTRATIVE BID

#### 10.2.1 Opening Ceremony of the Administrative Bid

All bidders may attend the opening ceremony. Each TA will communicate the time and venue of the ceremony.

The opening of the Administrative Bids from all bidders will be conducted at the offices of the respective TA, in one single ceremony which will be held, at the latest, 24 hours after the deadline indicated in number 3 of these Bases.

The act of opening the Administrative Bids will be performed by professional personnel of the respective TA. The act will be led by the TA Director of the CDEC-SIC or CDEC-SING, as appropriate. They will proceed to verify whether all the documents listed in number 8.2 of these Bases have been included in the bids.

The TA Director of the CDEC-SIC or CDEC –SING, as appropriate, will issue acts of the opening, listing the parties that submitted bids, as well as the documents received. These acts will be sent to bidders and to the Commission, via e-mail.

The envelopes containing the Economic Bids will be sealed and signed by the TA Director of the CDEC-SIC or CDEC-SING, as appropriate, and by the personnel of the respective TA taking part in the process of opening the Administrative Bid. The Economic Bids will remain in custody at the offices of the respective TA, unopened, until the reviews and evaluations of the Administrative and Technical Bids have been completed.

#### 10.2.2 Evaluation of the Administrative Bid

The evaluation of the Administrative Bid will be conducted in two phases. First, the review will determine whether all the information pertaining to Documents 1 to 13, as indicated in number 8.2 of these Bases, has been submitted. The bids that fulfill these requirements will be evaluated on the basis of the commercial and financial information included in them, as described in number 10.2.2.2 of these Bases.

During the Administrative Bid evaluation stage, the respective TA may request, from one or more bidders, any additional relevant information needed to supplement the information contained in their Administrative Bids or the verification of the validity of the information. The request(s) made by the respective TA must be made known to all bidders via email. The bidder or bidders must submit the requested information in the manner and time frame indicated by the respective TA.

Following is the method that will be used to evaluate each Administrative Bid:

##### 10.2.2.1 Assessment of Administrative Aspects

The bids will be examined to check that Documents 1 to 13 indicated in number 8.2 of these Bases have been included in the Administrative Bid:

A verification matrix will be used at this stage, as shown in the Administrative Evaluation Matrix below:

Table 3: Administrative Evaluation Matrix

Documents Concerning Administrative Aspects		1 = YES 0 = NO
1	Declaration of Acceptance of the Bidding Terms and Conditions, the Attached Documents and Expiration Date of the Bid.	
2	Description and Identification of the Bidder.	
3	Designation of Bidder's Representative.	
4	Consortium or Association Agreement.	
5	Bid Bond.	
6	Document attesting to the Legal Incorporation of the Bidder(s).	
7	Public Deed of Commitment to Establish an Open Corporation Exclusively Dedicated to Electricity Transmission.	
8	Bond Guaranteeing the Incorporation of an Open Corporation Exclusively Dedicated to Electricity Transmission.	
9	Declaration of Acceptance of Operating Regime.	
10	Declaration of Acceptance of Legal Obligations and Fines.	
11	Commercial and Financial Information.	
12	Projected Financial Structure.	
13	Bidder's Technical Experience and Competence.	

Document 4 must be submitted only if the bidder is a consortium or association.

Likewise, Documents 7 and 8 are not required if the bidder(s) is(are) incorporated as an open corporation whose only line of business is electricity transmission and this is evidenced in the respective notarized instruments and in the pertinent registrations in the Commercial Registry, which must be included in Document 6.

If any of the documents specified in the Administrative Evaluation Matrix is missing or incomplete, the document in question will be given a score of zero. Also, in the case of legal documents, these must meet the formalities defined in these Bidding Terms and Conditions, failing which they will be given a score of zero.



Bidders who are given a score of zero for any of the documents included in this matrix will be automatically eliminated from the bidding process, subject to the exceptions corresponding to Documents 4, 7, and 8.

#### 10.2.2.2 Commercial and Financial Aspects and Bidder Experience

Bids that meet all the documentation requirements referred to in the previous number will be evaluated on the basis of the financial and commercial background information and the technical experience and qualifications of the bidder that have been presented in the Administrative Bid. Specifically, the following will be evaluated: the information contained in Documents 11 and 13, as requested in number 8.2 of these Bidding Terms and Conditions.

The information contained in Document 11 will be evaluated in accordance with the following Commercial and Financial Evaluation Matrix:

Table 4: Commercial and Financial Evaluation Matrix

Evaluation of Document 11: "Commercial and Financial Background Information"	Scores
Financial Ranking	1 to 7
Risk Classification	1 to 7

The score for financial ranking will be the simple average of the items listed in Appendix 7. The risk classification score will be calculated in accordance with the terms of Appendix 10.

In the case of a consortium or association, the risk classification will be calculated for each member of the consortium or association, and the qualification of the consortium as a whole will be equal to that of the company with the lowest risk classification score.

In order to be considered for technical evaluation, the bidders must have a simple average score of not less than 5.0 in the Commercial and Financial Evaluation Matrix.

In the case of a consortium or association, each member company must have a simple average score of not less than 5.0 in the Commercial and Financial Evaluation Matrix.

Bidders who obtain an average score below 5.0 will be automatically eliminated from the bidding process.

The information contained in Document 13 will be assessed as provided in Appendix 6. Bidders who receive a score of less than 5.0 in accordance with the terms of the Appendix will be eliminated from the bidding process. The respective TA must notify those bidders whose Administrative Bid has not qualified under these Bidding Terms and Conditions within 24 hours after completion of the administrative evaluation. This notification shall be sent by email to the registered address of each bidder.

In the event that, after the technical evaluation, none of the bidders has qualified in accordance with the provisions above, the respective TA will follow the procedure outlined in number 10.5.2 of these Bidding Terms and Conditions.

### 10.3 OPENING AND EVALUATION OF TECHNICAL BIDS

#### 10.3.1 Technical Bid Opening Ceremony

The opening ceremony may be attended by all bidders. Each TA will communicate the time and venue of the ceremony.

If the acts of the opening of Administrative Bids show that any of the documents that the bidder must submit are not included in said bid, the Tolls Administrator may exclude the bidder from the opening of the corresponding Technical Bid.

Within 24 hours after the deadline indicated in number 3 of these Bidding Terms and Conditions for the Opening of Technical Bids, the TA Director of the CDEC-SIC or CDEC-SING, as appropriate, will open the envelopes labeled "Technical Bid".

The act of opening the Technical Bids will be performed by professional personnel of the respective TA. The act will be directed by the TA Director of the CDEC-SIC or CDEC-SING, as appropriate. They will proceed to verify whether all the documents listed in number 8.3 of these Bidding Terms and Conditions have been included in the bids.

The TA Director of the CDEC-SIC or CDEC-SING, as appropriate, will issue acts of the opening ceremony, which will record the identity of the parties submitting bids, the documents received, and the Technical Bids excluded from the opening process. These acts will be sent to bidders via e-mail.

#### 10.3.2 Evaluation of Technical Bid

The Toll Administration will check to confirm that the information corresponding to documents 14 to 16 indicated in number 8.3 of these Bidding Terms and Conditions has been submitted. Bidders whose bids pass this stage as well as the evaluation of the Administrative Bid will be evaluated according to the Economic Bid submitted by them.

Following is the evaluation method that will be used to evaluate each Technical Bid.

##### 10.3.2.1 Evaluation of General Technical Information concerning the Project

Bids will be evaluated primarily in relation to the information requested in Documents 14 to 16, as indicated in number 8.3 of these Bidding Terms and Conditions, in accordance with the following Technical Information Evaluation Matrix:

Table 5: Technical Information Evaluation Matrix

Documents Relating to General Technical Information		1 = YES 0 = NO
14	Project Timetable	
15	Commitment to Complying with Deadlines	
16	Technical Description of the Project	

If any of the documents listed in the Technical Information Evaluation Matrix are missing, or contain significant inconsistencies, or are incomplete, they will be given a score of zero. Also, in the case of legal documents, these must comply with the formalities specified in these Bidding Terms and Conditions. Otherwise, they will be given a score of zero.

Bidders with a zero score in any of the documents included in this matrix will be automatically eliminated from the tender process. Those bidders with a score of "one" in each of the three fields will move on to the evaluation of the project Technical Bid.

#### 10.3.2.2 Evaluation of Project Technical Bid

During the Technical Bid evaluation stage, the respective TA may request from one or more bidders relevant information in order to verify the information contained in their Technical Bid or the validity of the timetable offered and the information submitted. The requests made by the respective TA must be communicated to all bidders via email. The bidder or bidders must submit the information requested in the manner and time frame indicated by the respective TA.

The criteria for evaluation of the technical background, information, and characteristics of the project, as contained in the Technical Bid from each bidder are detailed in Appendix 8. Only those bidders who have received a score of not less than five in the areas evaluated in accordance with Appendix 8 will qualify for the Opening of Economic Bids.

The corresponding TA must provide acts or a report justifying the fact that a bid has not been scored, or has not passed the Technical Bid stage, in addition to the respective score per Appendix 8.

In the event that, following the technical evaluation, none of the bidders has qualified in accordance with the provisions above, the respective TA will follow the procedure outlined in number 10.5.2 of these Bidding Terms and Conditions.

## 10.4 OPENING AND EVALUATION OF ECONOMIC BID

### 10.4.1 Opening Ceremony of the Economic Bid

All bidders may attend the opening ceremony. Each TA will communicate the time and venue of the ceremony.

Once the respective TA communicates the results of the evaluation of the bidders' Administrative and Technical Bids, and within 24 hours after the deadline indicated in number 3 of these Bidding Terms and Conditions as the deadline for opening the Economic Bid, the TA Director of the CDEC-SIC or CDEC-SING, as appropriate, will open the envelopes labeled "Economic Bid" from the bidders whose Administrative and Technical Bids were accepted in accordance with the procedures described in numbers 10.2 and 10.3 of these Bases.

The envelopes containing the Economic Bids from those bidders whose bids were not accepted at the administrative and/or technical evaluation stages will be returned unopened.

The respective TA will eliminate from the tender process those bidders whose Economic Bid envelopes contain more than one Economic Bid.

The TA Director of the CDEC-SIC or CDEC-SING, as appropriate, will issue acts that will record the identity of the parties who submitted bids, which bids were not opened, the information and documents contained in the bids that were opened, and the values indicated in the Economic Bids, ordered from lowest to highest, and clearly identifying the respective bidder.

#### 10.4.2 Evaluation of Economic Bids

The respective TA will proceed to award the project to the bidder who submits the best Economic Bid in accordance with the provisions of Article 95 of DFL No. 4, i.e., the lowest annual transmission cost per section (VATT) for each project.

In the case of New Works, "New 1x220 kV Line Melipilla - Rapel" and "New 2x220 kV Line Lo Aguirre - Melipilla, single circuit, the VATT to be bid must include the implementation of these two works as a single project.

Similarly, the VATT to be awarded (and therefore paid) will take into account the system's condition at the time the Expansion Plan was prepared. Any changes in the condition and effects of such changes on the security of the service which may exist at the time of connection or commissioning of the project shall be borne by the owners of the respective installations, to the extent that it is they who must comply with the Technical Standards, and such costs must not be included in the VATT to be offered for the new project, i.e. they will not be charged to the new project.

If there is a tie between two or more bids, the contract will be awarded to the bidder who has the best simple average of the scores given to the items listed in Appendix 8, which evaluates the Technical Bids.

If the tie persists, a random selection mechanism will be applied.

### 10.5 EXCLUSION AND DESERTED TENDER

#### 10.5.1 Declaration of Exclusion or Deserted Tender

Depending on the stage of the tender process in question and in accordance with these Bidding Terms and Conditions, the TA Director of the CDEC-SIC or CDEC-SING, as appropriate, will issue acts recording the reasons why certain bids were excluded from the tender process.

#### 10.5.2 Deserted Tender

If none of the bidders comply with the requirements of the tender, the respective TA will declare the bidding process to be deserted, and the bidders will not have the right to make claims or request reimbursements of any kind. This situation will be recorded in acts issued by the TA Director, detailing the reasons and the justification for voiding the tender process.

If this occurs, the respective TA will have 3 days to notify said circumstance to the Ministry, the Commission and the Superintendency, in addition to publishing the acts on its respective website.

The omission will prepare new Bidding Terms and Conditions pursuant to Decree Law No. 4 and in accordance with the Expansion Plan Decree, except in those aspects related to the deadlines

mentioned in the decree, and the corresponding TA will proceed according to these new Bidding Terms and Conditions.

## **11 AWARD OF RIGHTS TO OPERATE AND EXECUTE THE PROJECT**

### **11.1 AWARD OF PROJECT CONTRACT**

Within 24 hours after the Economic Bids have been evaluated, the TA Director of the CDEC-SIC or CDEC-SING, as appropriate, will notify the winning bidder (or its representative) attaching to the award letter a copy of the respective award acts. A copy of this notification shall be sent to the Ministry, the Commission, and the Superintendency. The above is regardless of the legal award procedure, which consists of publication in the Official Gazette of the corresponding award decree issued by the Ministry.

The winning bidder shall sign, within 5 days of receipt of the letter referred to in the preceding paragraph, a public deed of acceptance of project award, which formalizes the bidder's acceptance of the project award, promising to comply with the terms of the bid, and accepting to be bound by the obligations, conditions and legal rights that the award decree implies. Failure to comply with the provisions of this paragraph will empower the respective TA to execute the respective bid bonds, in accordance with these Bidding Terms and Conditions. In this event, the respective TA may award the project to the bidder who placed second.

In this case, the respective TA will proceed in the manner detailed in the first paragraph of this number. The new winning bidder must update the term of its bond and sign, within 5 days of receipt of the letter referred to in the preceding paragraph, a public deed of Acceptance of Project Award, which formalizes the bidder's acceptance of the project award, promising to comply with the terms of its bid, and accepting to be bound by the obligations, conditions and legal rights that the award decree implies. If the new winning bidder fails to comply with this obligation, it shall be immediately eliminated from the tender process, and the respective TA will be empowered to call in the respective bid bond(s). The tender process will then continue, and the next-highest ranking bidder will be awarded the contract.

Should the project contract not be awarded to any of the bidders, the respective TA shall declare the bidding process void, following the procedure outlined in number 10.5.2 of these Bidding Terms and Conditions.

### **11.2 PROJECT EXECUTION**

The implementation of the project under the terms indicated in the bidder's bid shall be supervised by the respective TA, subject to the conditions and mechanisms established in these Bidding Terms and Conditions, which shall be an integral part of the bid.

The respective TA will be responsible for supervising the progress of the project by means of Technical Audits of Project Implementation, approving the implementation of the relevant project milestones, and reporting any possible breaches of terms and/or technical conditions to the Ministry, as well as calling in performance bonds according to the procedures, formalities and time limits specified in these Bidding Terms and Conditions.

### 11.2.1 Technical Audit and Inspection

For each project, the respective TA shall, in due time, contract out the corresponding technical audits and inspections to be carried out during the project Implementation stage, in regard of deadlines, milestones, and technical requirements previously defined for project execution. These audits may be awarded to one or to several entities.

This technical audit and inspection includes verification of compliance with relevant project milestones, as well as with the technical characteristics to which the awardee has committed in the Technical Bid in accordance with these Bidding Terms and Conditions, and also specifically includes the following:

- i. Monitoring and certifying compliance with the relevant milestones during the implementation stage, as established in number 0 of these Bidding Terms and Conditions.
- ii. Submitting, every two months, an executive report to the respective TA, the Commission and the Superintendency, indicating the state of progress of the works (as a percentage).

The winning bidder and the owners of the corresponding substations shall grant the technical audit staff and personnel of the respective TA, ready access to project facilities and to any information that may be required and/or deemed necessary for monitoring, certifying and controlling the degree of compliance with the obligations derived from the Award Decree.

For this purpose, the winning bidder shall promptly deliver the following details to the auditor:

- iii. Calculation logs, certificates and other documents that the auditor may consider appropriate, as evidence that the project is complying with the terms of the winning bidder's Technical Bid and the requirements of the Bidding Terms and Conditions.
- iv. Supporting documentation and communications between the awardee and the public agencies related to the project: CONAMA, SEC, CDEC, or other similar entities.
- v. Schedule of work, progress, tests and commissioning. The protocols of these activities and the results obtained.
- vi. Logs of seismic calculations for the primary structures and equipment of the substations, in order to prove that technical standards are being met.
- vii. Technical inspection of the requirements stipulated in these Bidding Terms and Conditions and those offered by the awardee in its bid.
- viii. Technical Inspection Report, in the case of the Works to be executed in substations.

## 12 PERFORMANCE BONDS

In addition to the bonds described in numbers 8.2.5 and 8.2.8 of these Bidding Terms and Conditions, the awardee shall provide the following bonds outlined below.

In the case of consortia, the bonds may be issued by any of the member companies or, if the date of issue of the bonds is subsequent to the formation of the consortium, by the consortium itself (as specified in number 8.2.7. of these Bidding Terms and Conditions). In the latter case, the identity of the issuer of the bond shall be recorded as follows: (name of the member company of the consortium

or of the open corporation exclusively dedicated to electrical transmission), on behalf of the consortium (name of the consortium).

## 12.1 PERFORMANCE BOND GUARANTEEING COMPLIANCE WITH PROJECT MILESTONES

The awardee shall provide a performance bond in order to guarantee proper fulfillment of significant project milestones, as set out in number 8.3.1 of these Bidding Terms and Conditions. This bond must be delivered to the respective TA within five working days following publication of the Adjudication Decree in the Official Gazette.

The mechanism for submitting performance bonds shall be as follows:

- i. The awardee for each project must submit a performance bond valid for at least 60 days following the deadline indicated in its Gantt chart for the first significant project milestone, and equivalent to 2% of the reference IV of each project, as established in the Expansion Plan Decree and these Bidding Terms and Conditions.
- ii. Not later than the date established for compliance with the first Relevant Milestone, and regardless of whether the performance bond has been called in for this first milestone by the respective TA, the awardee must submit another performance bond in the same amount indicated in the previous paragraph, and valid for at least 60 days after the deadline established in the Gantt chart for the next Relevant Milestone of each project yet to be executed according to the project schedule.
- iii. For the rest of each project's Relevant Milestones, the above procedure will be repeated.

These performance bonds must be issued by the awardee in the name of the Ministry of Energy, payable upon request, and they will (if necessary) be called in by the respective TA. To this end, the Ministry may endorse the bonds within 30 days after receiving them, so that the respective TA may call them in (if necessary). These documents are a guarantee that the awardee will meet the deadlines specified in its Gantt chart for significant project milestones. In the event of non-compliance, the respective TA will call in the performance bond and communicate said circumstance to the Ministry.

This instrument (performance bond) must be issued in Chile by a banking institution established in Chile, so that the respective TA may call in the bond (if necessary). The details on each bond will read: *"To ensure that ..... (indicate the significant project milestone) is executed by..... in accordance with the terms of Document 14 of the Technical Bid for the operation and implementation of the new Work"..... (Project name).....", and the terms of the Contract Award Decree issued by the Ministry of Energy."*

The respective TA shall notify the awardee (as a confidential matter) about the terms of custody of the respective performance bond.

The performance bond(s) will be returned to the awardee within fifteen days of the corresponding TA notifying the Ministry of Energy and the Commission that it has received the respective Technical Auditor's report stating that the awardee has complied, on time, with the respective milestone, and that the TA has received the performance bond guaranteeing fulfillment of the next major milestone.

The performance bond for the Relevant Milestone corresponding to the commissioning of the project will be returned within 5 days of delivery by the awardee to the respective TA of a bond for proper operation of the project in accordance with the conditions offered by the awardee.

## **12.2 PENALTY FOR DELAYS IN PROJECT COMMISSIONING**

Regardless of the right to call in the performance bond for the project commissioning, the awardee will be subject to a fine, to be paid to the treasury, equivalent to 0.068% of the reference IV of the project, as established in the Expansion Plan Decree, for each day of delay in the project commissioning, up to a maximum of 730 days.

For these purposes, the date of project commissioning shall be the date indicated in the Award Decree that the Ministry will issue in due course.

The respective TA will certify the number of days of delay each month, and will notify the awardee about the amount of the fine to be paid to the Treasury of the Republic. The awardee shall pay the fine within five business days following the respective notice from the TA, by means of Form 10 of the General Treasury of the Republic. This obligation will be supervised by the Superintendency, by virtue of its legal powers.

## **12.3 RIGHT TO EARLY TERMINATION OF THE PROJECT EXECUTION PROCESS AND REVOCATION OF THE CONTRACT AWARD**

Without prejudice of the right to cash the corresponding performance bonds, the respective TA reserves the right to terminate in advance the process of project execution, with prior authorization from the Ministry, in the event of serious breaches such as non-delivery by the awarded bidder of the performance bonds within the corresponding deadlines, or other types of non-compliance that give cause to assume that the awardee will not be able to execute the project.

The Ministry shall authorize the early termination of the implementation process through the issuance of an Award Revocation Decree, provided the respective TA has reported serious contract breaches, as indicated above.

The revocation of the award does not entitle the awardee to any compensation. In such case, the respective TA shall call in the bond referred to in number 12.5 of these Bidding Terms and Conditions.

In the event of revocation of the award, the authorities will proceed to call for new bids in accordance with the provisions of the law.

## **12.4 BOND GUARANTEEING PROJECT OPERATION IN ACCORDANCE WITH AWARD CONDITIONS**

Within a period of 30 days prior to the commissioning of the project, the awardee shall submit to the respective TA a bond to guarantee that project operation during the first year of operations will be consistent with the technical conditions offered by the awardee. The bond will remain valid for a 15-



month period starting from the date of commissioning of the project. The amount of the bond must be equivalent to 3% of the reference IV of the project, as established in the Expansion Plan Decree.

Delivery of the above bond will be a prerequisite for authorizing the commissioning of the project.

The above bond must be issued in favor of the Ministry of Energy, payable on demand. The Ministry may endorse the bond so that the respective TA can call it in, if it confirms that the necessary conditions exist. For this purpose, the Ministry may endorse the bonds within 30 days after receiving them, so that the respective TA can call them in (if necessary). This instrument will guarantee that the bidder fully respects all conditions and operating levels offered in its bid. Otherwise, the respective TA will call in the bond and inform the Ministry of the breach of a contract condition.

This instrument must be issued in Chile by a banking institution established in Chile, so that the respective TA may call it in if necessary. The details on the bond must read: *"To guarantee the operation of the project in accordance with the Award's technical conditions, which are part of the Tender Process for the award of operation and execution rights of the new Work " \_\_\_\_ (Project name) \_\_\_\_ of the (SIC or SING trunk transmission system, as appropriate)".*

The respective TA shall notify the awardee (as a confidential matter) about the terms of custody of the respective bond.

The bond will be returned to the awardee within fifteen days after the respective TA receives the Technical Audit Report confirming the correct operation of the project during the first 12 months of its integration into the SIC or SING system, as appropriate.

## 12.5 PROJECT PERFORMANCE BOND AND PAYMENT OF FINES

In addition to the bonds referred to in number 12.1 of these Bidding Terms and Conditions, the awardee must submit a bond in order to guarantee the effective implementation of the project, as well as the payment of fines for delays in the commissioning thereof, for a value equivalent to 8% of the project's reference IV indicated in the Expansion Plan Decree.

The above bond(s) must be issued in favor of the Ministry of Energy, payable on demand. The Ministry may endorse the bonds within 30 days after receiving them, so that the respective TA may call them in.

This bond must be delivered to the respective TA within five working days following publication of the Award Decree in the Official Gazette, and must be valid for at least 6 months after the date of expiration of the period indicated in the awardee's Gantt chart for complying with the fifth Relevant Milestone of the project. Regardless of the above period of validity of the bond, the awardee shall renew this bond at least 60 days before expiration, until it has complied with the conditions for its return. However, the bond may be issued for an annual period, for the amount specified in the first paragraph above, in which case it must be renewed on the same terms described above.

Should the award be revoked according to the terms of number 12.3 of these Bidding Terms and Conditions, and in the event of non-payment of the delay penalties referred to in number 12.2 of these Bidding Terms and Conditions, the corresponding bond will be called in.

This instrument must be issued in Chile by a banking institution established in Chile, so that the respective TA may call in the bond (if necessary). The details on the bond for the new work to be

tendered by the CDEC-SING, *2x220 kV Line, Crucero - Lagunas first circuit*, shall be as follows: *"To guarantee the effective execution of the project and payment of fines, according to the terms of the Technical Bid for the operation and execution of the new work "2x220 kV Line, Crucero - Lagunas, first circuit" in accordance with the corresponding Bidding Terms and Conditions and the conditions set forth in the Award Decree issued by the Ministry of Energy."*

In the case of works to be tendered by the CDEC-SIC, the details on each bond shall read: *"To guarantee the effective execution of the project and the payment of fines, according to the terms of the Technical Bid for the operation and execution of the new work "          (name of project)          " in accordance with the corresponding Bidding Terms and Conditions and the conditions set forth in the Award Decree issued by the Ministry of Energy."*

The TA concerned shall inform the awardee (as a confidential matter) the custodial conditions for the respective bond.

The bond will be returned to the awardee within fifteen days after the respective TA reports to the Ministry of Energy and the Commission that the TA has received the Technical Audit Report confirming that the project has been commissioned, and after the awardee has delivered the bond guaranteeing correct operation of the project in accordance with the terms and conditions offered by the awardee, and after the TA has confirmed that the awardee has paid any late fines referred to in number 12.2 of these Bidding Terms and Conditions, if applicable.

## **13 GENERAL OBLIGATIONS OF THE BIDDER AND AWARDEE**

### **13.1 PURCHASING**

The purchasing, acquisition and/or leasing of movable assets, real estate, materials and/ or technical tools or equipment necessary to develop the project facilities shall be done directly by the awardee under its sole responsibility and at its own risk, in accordance with the provisions of DFL No. 4 and other applicable regulations.

### **13.2 EASEMENTS**

All expenditures incurred or made on account of easements will be borne by, and be the sole responsibility of, the awardee.

Any and all easements shall be the responsibility of the awardee, who shall be responsible for obtaining said easements in accordance with the current legal framework, while ensuring compliance with project execution and commissioning deadlines.

All costs related to land acquisition, expropriation and the like, relating to easements, are to be borne by the awardee, and must be taken into account in its Economic Bid.

### **13.3 ENVIRONMENTAL ASPECTS**

The awardee shall bear the expenses and costs of complying with environmental regulations applicable to the project(s).

### **13.4 CIVIL LIABILITY FOR DAMAGE TO THIRD PARTIES**

During the implementation phase, the awardee shall take all necessary measures to prevent damage to third parties, or personal injury and death either to personnel working on site or to third parties. The

awardee must also take all necessary precautions to avoid damages to third party property and to the environment during the execution of the work.

The awardee shall be solely responsible for damage of any kind caused to third parties, to personnel involved in the work, and/or the property of others or the environment, in connection with the execution of the project and/or its operation, for which purpose it shall contract appropriate insurance.

No more than 30 days before completion of the first Relevant Milestone on the Gantt chart in the Technical Bid, the awardee shall deliver to the respective TA a copy of the civil liability insurance policy (certified by the insurance company), equivalent to 1% of the reference IV indicated in the Expansion Plan Decree, with a maximum deductible of 5%, payable in cash, and valid throughout the implementation phase of the project and up to 12 months after commissioning.

The following (at least) must be named as beneficiaries: the awardee, related companies and subcontractors.

This is regardless of the authority of the respective TA or the Ministry to call in the respective performance bonds.

### 13.5 CATASTROPHIC INSURANCE

No more than 30 days before completion of the first Relevant Milestone on the Gantt chart in the Technical Bid, the awardee shall deliver one or more insurance policies covering catastrophic risks throughout the project implementation stage and until all the works are commissioned. Such insurance shall be for an amount which, over time, will cover, at least, the equivalent of 20% of the total reference IV of the project, as set out in the Expansion Plan Decree. Such insurance should be taken as "Comprehensive Construction Risk Insurance" and the beneficiary shall be the TA of the CDEC-SIC or CDEC-SING, as appropriate. Any amounts paid as a result of catastrophe insurance claims shall be paid to the DP of CDEC-SIC or CDEC-SING, as appropriate, and shall be destined for the reconstruction or repair of the damaged project. This insurance must be valid throughout the duration of the project and until commissioning of all the works. The awardee must show proof that the insurance policy premium has been fully paid.

Such policies must cover catastrophic risks in the implementation phase, including (among others) societal unrest and malicious acts, and it shall be valid until the date of commissioning of the project.

The catastrophic insurance policies may not include, or be included in, the civil liability insurance policies referred to in number 13.4 of these Bidding Terms and Conditions. In other words, they must be separate policies.

The following (at least) must be named as Beneficiaries: the Awarded Bidder (Contractor), related companies, subcontractors and sub-subcontractors.

Any insurance claim settlement effected under this policy shall be submitted to the Ministry for approval.

It will be the responsibility of the awardee to make the necessary arrangements before the insurance companies, in order to obtain payment for damages or catastrophes.

### 13.6 LICENSES, PERMITS, ETC.

The awardee shall assume full responsibility for obtaining permits, licenses and other mandatory legal instruments, both during project execution and operation, including compliance with the conditions of connection to the electricity system, as appropriate.

### 13.7 INTERFERENCE IDENTIFICATION

The awardee must identify and resolve any interference that may occur during implementation, interconnection, and operation of the project, such as interference caused to other lines, substations, and/or generation facilities, among others.

The cost of moving or modifying existing facilities which were identified (included) in the information which served as a baseline for preparing the call for bids, as well as the connection conditions which existed at the time of the call for bids and were presented formally in the tender process, shall be borne by the awardee.

### 13.8 OTHER CRITERIA TO CONSIDER IN THE PROJECT

The awardee (executor of the project) is required to include the following:

- i. Compliance with technical standards relating to quality and safety of service and all other applicable regulations (environmental, technical, electrical, General Water Directorate, Civil Aeronautics Directorate, etc.).
- ii. The necessary environmental impact assessments, prior to commissioning, in accordance with the provisions of the internal regulations of CDEC-SIC or CDEC-SING, as appropriate.
- iii. Compatibility of technical and construction characteristics of line connections in the substations with existing facilities and systems.
- iv. Compatibility of the control and protection systems with existing systems.
- v. Design and calculation criteria of the various elements according to current standards for projects in that area. As reference, it is suggested that bidders consult the NSEG 5 In 71 Standards on Strong Currents.
- vi. Safety factors, levels of environmental compliance, seismic and climate parameters that characterize the project area.

It is the responsibility of the bidder to consider, in the design criteria, the seismic characteristics and specifications which, in light of past experience, correspond to this area. The aforementioned experience is that gained in the awardee's own projects in Chile, as well as the experience of vendors who have supplied equipment for projects in Chile.

Electrical equipment in general, in all its parts and structures -- including the electrical equipment itself as well as all accessories -- must be designed so as to be capable of withstanding, without damage or disruption of service, the least favorable total response in case of earthquakes, and must be completely appropriate to the supporting foundations and the terrain on which they are to be installed.

Both horizontal and vertical seismic efforts must be considered, and the calculated values of acceleration, displacement and speed must be in accordance with accepted criteria for this type of design.

- vii. It must be kept in mind that although the equipment as a whole is composed of rigid and non-rigid components, it must all function as a harmonious whole in the event of seismic phenomena, maintaining safe levels of response within the recommended ranges.

## APPENDICES

### APPENDIX 1 LISTING OF RISK CLASSIFIERS

- i. Feller-Rate
- ii. Moody's
- iii. Standard and Poor's
- iv. Fitch Ratings

## APPENDIX 2 DECLARATION OF ACCEPTANCE OF BIDDING TERMS AND CONDITIONS

## SWORN DECLARATION

In (city/country), on (date) 2012, (name of legal representative(s), legal representative(s) of (name of legal bidder) declare(s) that he/she/they recognize(s) and accept(s) the content of the Bidding Terms and Conditions prepared by the National Energy Commission for the tender process to award rights of operation and execution of the expansion project in Exempt Decree No. 82 of 2012 of the Ministry of Energy, in the trunk transmission system of the (SIC or SING, whichever is applicable) and is legally bound to observe its requirements.

He/she also declares that the period of validity of the Administrative Bid, the Technical Bid and the Economic Bid will be at least (indicate number of days), not less than 120 days, starting from the date set for their presentation period as indicated in the aforementioned Bidding Terms and Conditions.

He/she also declares and certifies the veracity and integrity of the translation of the accompanying bid documents, as well as their conformity with the original texts, when applicable.

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name and signature of legal representative(s)

**APPENDIX 3 DECLARATION OF ACCEPTANCE OF PROJECT OPERATION REGIME****SWORN DECLARATION**

In (city/country), on (date) 2012, (name of legal representative(s)), legal representative(s) of (name of legal bidder) declare(s) that he/she/they recognize(s) and accept(s) the Operation Regime indicated in Chilean legislation and the abovementioned Bidding Terms and Conditions for the tender process to award rights of operation and execution of the expansion project envisaged in Exempt Decree No.82 of 2012 of the Ministry of Energy, of the Trunk Transmission System of the (SIC or SING, whichever is applicable) and is legally bound to observe their requirements.

He/she also accepts that the technical aspects of project development are to be coordinated by the CDEC at the study stage, upon submission of technical information and at commissioning (as well as other aspects) as stated in DFL No. 4 and in current regulations.

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name and signature of legal representative(s)



**APPENDIX 4 DECLARATION OF ACCEPTANCE OF LEGAL OBLIGATIONS AND FINES****SWORN DECLARATION**

In (city/country), on (date) 2012, (name of legal representative(s), legal representative(s) of (name of legal bidder) declare(s) that he/she/they recognize(s) and accept(s) the legal obligations and fines indicated by current legislation in Chile and the abovementioned Bidding Terms and Conditions for the tender process to award rights of operation and execution of the expansion project envisaged in Exempt Decree No.82 of 2012 of the Ministry of Energy, of the trunk transmission system of the (SIC or SING, whichever is applicable) and is legally bound to observe their requirements.

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name and signature of legal representative(s)

## APPENDIX 5 INDEXATION OF ANNUAL TRANSMISSION VALUE BY PROJECT SEGMENT

The annual transmission value by segment (VATT) submitted by the bidder in its Economic Bid in dollars, will be adjusted annually according to the variability of its components --AVI and COMA, using the following formulae:

$$AVI_k = AVI_0 \cdot \frac{CPI_k}{CPI_0}$$

$$COMA_k = COMA_0 \cdot \frac{IPC_k}{IPC_0} \cdot \frac{DOL_0}{DOL_k}$$

Where, for the above formulae:

$AVI_k$  : Value of the AVI, which is part of the VATT assigned to the expansion project for month k.

$COMA_k$  : Value of the COMA, which is part of the VATT assigned to the expansion project for month k.

$IPC_k$  : Value of the Chilean Consumer Price Index in the second month previous to month k, published by the Chilean National Statistics Institute.

$DOL_k$  : Average Observed Dollar Price, in the second month previous to month k, published by the Central Bank of Chile.

$CPI_k$  : Value of the Consumer Price Index (All Urban Consumers), in the second month previous to month k, published by the Bureau of Labor Statistics (BLS) of the United States Government (BLS Code:CUUR0000SA0).

And where the sub-index 0 in the formula indicated for the project corresponds to the month in which the project is awarded.

Index	Base Value	Month
$IPC_0$	99.38	October 2009, Base December 2008 = 100
$DOL_0$	545.83	October 2009
$CPI_0$	216.177	October 2009

The above table will apply only for indexing the reference value of each project. The respective Award Decree will establish the base values of the indices, for the purpose of indexing the VATT (in its AVI and COMA components) that is finally assigned. For this purpose, the month in which each project is awarded will be used, in order to provide the base values of indices that in that month, the application of the indexing formula for the AVI and COMA, results in the AVI and COMA that make up awarded VATT.

The annual transmission value by segment (VATT) submitted by the bidder in its Economic Bid will be updated for each of the five rate periods, and its AVI and COMA will be addressed separately. The indexing of the AVI will also be entirely based on the variation in the CPI for all projects, while the COMA will be calculated according to the CPI and the dollar, using the terms outlined in this appendix.

## APPENDIX 6 EVALUATION FORMATS AND TABLES FOR DOCUMENT 13

The submission of information in Document 13, Experience and Technical Competence of the Bidder, must be carried out by completing the following tables appropriately. In addition, tables 6, 7, 8, 9 and 10 must be included on an MS Excel spreadsheet on the CD or DVD copy of the Administrative Bid referred to in number 9.2 of these Bases.

**Table 6: Technical Experience in Transmission Systems – Transmission Lines**

Name of Line	Voltage [kV]	Length of line <sup>1</sup> [km]	Nominal Capacity [MVA]	Date Started Service	Company Accrediting Experience <sup>2</sup>	Operator or Executor <sup>3</sup>	Client <sup>4</sup>	Name of Interconnected System	Attached <sup>5</sup>

**Table 7: Technical Experience in Transmission Lines with Voltage Higher than 24kV and Lower than 110kV**

Name of Line	Voltage [kV]	Length of line <sup>1</sup> [km]	Nominal Capacity [MVA]	Date Started Service	Company Accrediting Experience <sup>2</sup>	Operator or Executor <sup>3</sup>	Client <sup>4</sup>	Name of Interconnected System	Attached <sup>5</sup>

**Table 8: Technical Experience in Transmission Systems (Substations): Transformers and Compensation Units**

Name of Transformer	Nominal Capacity [MVA]	Voltage <sup>6</sup>			Date Started Service	Company Accrediting Experience <sup>2</sup>	Operator or Executor <sup>3</sup>	Client <sup>4</sup>	Name of Interconnected System	Attached <sup>5</sup>
		Prim	Sec	Ter						

<sup>1</sup> The length of the line will be calculated for each circuit.

<sup>2</sup> The company accrediting the experience should be indicated (the bidder, its parent company or subsidiary).

<sup>3</sup> Indicate whether the company acted as executor or operator of the project.

<sup>4</sup> The name of the transmission system operator should be provided.

<sup>5</sup> Name or identification of the certificate referred to in number 8.2.13, supporting the submitted information.

<sup>6</sup> If this relates to a compensation unit, its voltage should be indicated in the Prim column.

Table 9: Technical Experience in Generation Systems

Name of Power Station	Type	Number of Units	Installed Power [MVA]	Date Started Service	Company Accrediting Experience <sup>2</sup>	Operator or Executor <sup>3</sup>	Client <sup>4</sup>	Name of Interconnected System	Attached <sup>5</sup>

Table 10: Technical Experience in Distribution Systems

Name of Distribution Company	Energy Purchased [GWh]	Energy Sold [GWh]	Number of Customers Supplied	Installed Power <sup>7</sup> [MVA] MT	Company Accrediting Experience <sup>2</sup>	Name of Interconnected System	Attached <sup>5</sup>

The evaluation of the bidders will take into account separately their experience in different areas of the electricity sector. The following aspects will determine the final score:

- a) To participate in transmission line projects with a voltage of 220kV and on transformer unit projects, experience must be demonstrated on transmission line projects with a voltage of 110kV or higher. The evaluation will be done as follows:
  - i. Transmission lines with a voltage higher than or equal to 110kV, which will be measured in kilometers of line as shown in Table 6, will be considered.
  - ii. Substations with voltages higher than or equal to 110kV on the high-voltage side, measured according to the capacity of their transformer and compensation units (MVA), will be considered.
  - iii. For experience in generation, the nominal installed power of the units in MVA will be taken into consideration.
  - iv. Lines with voltage higher than 24kV and lower than 110kV, measured in kilometers of line as shown in Table 7, will be considered.
  - v. For experience in distribution, the installed power in MVA of the feeders in MT, which should be the property of the distribution company, will be taken into consideration.
  - vi. The total kilometers of equivalent line will be evaluated as the transformation and compensation capacity in MVA (see point ii), weighted by a factor of 0.15km/MVA plus the installed generation power in MVA (see point iii), weighted by a factor of 0.1km/MVA plus the installed power in MVA of the feeders in MT (see point v) which should be the property of the distribution company, weighted by a factor of 0.1km/MVA. To the above

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<sup>7</sup> To indicate MT power, the feeder power in MT must be shown (less than or equal to 24 kV and higher than or equal to 11kV); the feeders must be the property of the distribution company.

must be added the total kilometers of line indicated in point iv, weighted by a factor of 0.5, and the total kilometers of line indicated in point i.

- vii. If the bidder's total experience resulting from the application of point v is equal to 150 km of equivalent line, it will be awarded a minimum score of 5.0.
- viii. If the bidder's total experience resulting from the application of point v is equal to or greater than 2,500 km of equivalent line, it will be awarded a maximum score of 7.0.
- ix. The score awarded for kilometers of equivalent line will be obtained using a linear method, in the ranges indicated above.

## APPENDIX 7 EVALUATION OF DOCUMENT 11

## Protests

Table 11: Evaluation of Protests

Situation	Score
Companies without protests	7
Companies with clarified protests	4
Companies with unclarified protests	1

## Arrears

Table 12: Evaluation of Arrears

Situation	Score
Companies without arrears	7
Companies with arrears	1

## Debt/Assets Ratio

$$\frac{D}{P} = \frac{\text{Total Debt}}{\text{Total Assets}}$$

Where:

Total Debt : corresponds to the item "Total Debt" on the company's general consolidated balance sheet.

Total Assets : corresponds to the item "Total Assets" on the company's general consolidated balance sheet.

Table 13: Evaluation of Debt/Assets Ratio

Situation	Score
Less than or equal to 1	7.0
More than 1 and less than 2	6.0
More than 2 and less than 3	4.5
More than 3 and less than 4	3.5
More than 4 and less than 5	2.5
More than 5	1.0

## Financial Costs Coverage

$$\text{Financial Costs Coverage} = \frac{\text{Op. Res.} - \text{Dep.}}{\text{Financial Costs}}$$

Where:

Op. Res. : corresponds to the item "Operational Result" on the company's consolidated income statement.

Dep. : corresponds to the item "Depreciation" on the company's consolidated income statement (in absolute value).

Financial Costs : corresponds to the item "Financial Costs" on the company's consolidated income statement.

Table 14: Evaluation of Financial Costs Coverage

Situation	Score
More than or equal to 6	7.0
More than 5 and equal to 6	6.5
More than 4 and less than 5	6.0
More than 3 and less than 4	5.5
More than 2 and less than 3	5.0
More than 1.5 and less than 2	3.0
More than 1 and less than 1.5	2.0
Less than 1	1.0

The scores corresponding to the Debt/Assets and Financial Costs Coverage ratios will be obtained as the average of the scores obtained for the last three audited financial statements.

## APPENDIX 8 CRITERIA AND EVALUATION SCALE FOR TECHNICAL BID BACKGROUND INFORMATION

Detailed below are the criteria on which the technical information submitted by the bidder in Documents 14 and 16 will be evaluated.

As a general criterion applicable to the Technical Bids set out in a) and b) below, the bidder must include the following:

- i. Compliance with all the current regulations (environmental, technical, electrical and others).
- ii. Compatibility of technical and construction characteristics of line interconnection panels in substations with existing installations and systems.
- iii. Compatibility of control and protection systems with existing systems.

### Document 14: Project Schedule

The execution schedule of the project submitted (Gantt chart) will be broadly evaluated, paying special attention to the milestones and minimum activities indicated in the list below:

Activity		Milestone
1	Preliminary Engineering Development	
2	Final project and Preparation of Bidding Terms and Conditions Supplies and Works	
3	Supply Contract Tender	
4		Start of Works Contracts Tender
5	Works Contract Award	
6		Order to Proceed with Construction Contracts
7	Processing of Concession Decree	
8		Presentation of Request to Ministry of Energy
9		Concession Decree
10	Environmental Impact Study or Declaration	
11		Env. Impact Study or Declaration Approval Decree
12	Negotiation of Easements (progress plan)	
13	Construction contracts (progress plan)	
14		Equipment Testing
15		Commissioning

The bidder may include other activities and milestones in this basic Gantt chart, in line with the development of the project bid upon. Without changing the existing details in the chart, the bidder may indicate clearly the Relevant Milestones established and/or approved by the respective TA, for the purposes of numbers 8.3.1 and 8.3.2 of these Bases. The respective TA will assess the quality and viability of the Gantt chart using scores from 1.0 to 7.0; the minimum score needed to qualify in this stage being 5.0.



**Document 16: Technical Description of the Project**

- 1) For all the following points in the aforementioned document, the submission of the duly supported information fulfilling the technical requirements of the project requested in the Bases, will be evaluated.
- a) Basic information on transmission lines:
    - i. Maximum transmission capacity of the line, in relation to ambient temperature, for each circuit (MVA).
    - ii. Estimated length of the line (km).
    - iii. Positive, negative and zero sequence resistance ( $r_1, r_2$  and  $r_0$ ), in  $\Omega/\text{km}$  and by unit, 100 MVA base.
    - iv. Positive, negative and zero sequence reactance ( $x_1, x_2$  and  $x_0$ ), in  $\Omega/\text{km}$  and by unit, 100 MVA base.
    - v. Positive, negative and zero sequence susceptance ( $B_1, B_2$  and  $B_0$ ), in  $\text{mS}/\text{km}$  and by unit, 100 MVA base.
    - vi. Line capacity curve (MVA) versus ambient temperature ( $^{\circ}\text{C}$ ).
    - vii. Capacity and voltage level of the reactors to be installed in the respective substations.
    - viii. Operating flexibility at substations connected to the corresponding Interconnected System.
    - ix. Number of bays, indicating details of each one, for both the line as well as the bays and/or positions of the projected second circuit (for construction of the first circuit only).
    - x. Line measurement and protection system.
    - xi. Conductor section(s) ( $\text{mm}^2$ ).
    - xii. Type of conductor(s) (ACSR, ACAR, etc.).
    - xiii. Number of conductors per phase.
    - xiv. Average span (km).
    - xv. Estimated area to be used in each substation.
    - xvi. Simplified single line diagram showing the primary equipment components and their interaction with existing installations, considering possible operational and physical solutions.
    - xvii. Site plan of installation locations, showing the feasibility of specific solutions in relation to existing installations.
    - xviii. Diagrams and detailed description of the following project systems:
      - 1. Control
      - 2. Protections

3. Communication
  4. Security
- 
- xix. Wide of safety perimeter (m).
  - xx. Basic substation information:
    1. Busbar arrangement.
    2. Number of 220 kV yards and others.
  - xxi. Characteristics of the guard wire.
  - xxii. Quantity, capacity and area to be occupied by static condenser banks.
  - xxiii. Site plan of the facility, showing the positioning of all substation equipment. It must also show:
    1. Total area to be used.
    2. Yard area.
    3. Control building area.
    4. Compensation platform area.
    5. Area available for future development.
    6. Streets and roads.
  - xxiv. Simplified single line diagram showing primary equipment components and how they interact with the installations, including possible operational and physical solutions.
  - xxv. Description of Auxiliary Services:
    1. Single line diagram of AC and DC auxiliary systems, including main and secondary distribution busbars.
    2. Design criteria.
    3. Back-up time of battery banks.
    4. Estimated capacities.
- b) Transformation type and characteristics:
- i. Positive, negative and zero sequence parameters ( $r^1$ ,  $r^2$  and  $r^0$ ) in  $\Omega$  and by unit, 100 MVA base, for both resistance and reactance of the series and parallel branches (dispersion and magnetization). This also applies to the different cooling stages considered..
  - ii. Maximum transformation capacity (MVA).
  - iii. Transformation capacity with or without forced ventilation, in MVA, between yards, versus ambient temperature.
  - iv. Stages and types of cooling considered.
  - v. Description and characteristics of oil or silicone insulation to be used.
  - vi. Description and characteristics of coil insulation.

- vii. Description of connection groups and coil taps.
- viii. Type and characteristics of transformation unit bushings.
- ix. Description and characteristics of systems for measurement, control and protection of transformation equipment.
- x. Types and characteristics of transformation equipment auxiliary services.
- xi. Description and characteristics of fire protection and security systems in the transformation equipment.
  - c) Other Information:
    - i. Description of the data transmission system.
    - ii. Description of the vibration protection system.
    - iii. Description of the types of structures.
    - iv. Description of the insulation arrangement.
    - v. Description of the protection system for atmospheric discharges.
    - vi. Description of grounding mesh.
    - vii. Description of types of reactor units and back-up units (triphasic or monophasic).
    - viii. Description of automatic control facilities for project reactors.

The respective TA will evaluate the consistency and merit of the submitted information, particularly in relation to fulfilment of the requirements set out in the Expansion Project Decree and these Bases, and will either declare the respective proposal to be acceptable or disqualify it from the tender process.

For line projects, line capacity must meet or exceed the requirements of the Expansion Project Decree and the Minimum Technical Characteristics established in number 2 of the Bidding Terms and Conditions, and must not in any case be lower than the indicated capacity for the line. If it fails to meet these requirements, the respective TA will disqualify the proposal from the tender process. For the above, the TA must decide whether, on the strength of the information requested in a) to e) of number 8.3.3 (for example, type and quantity of phase conductors, description of types of structures, etc.), the project included in the respective proposal complies with the minimum capacity indicated in the Expansion Plan Decree and the Minimum Technical Characteristics established in number 2 of the Bidding Terms and Conditions.

A calculation sheet must be submitted showing that within the resulting parameters of the projected line, balanced energy transmission distribution is achieved between the following projects: New 1X220 kV Line A. Melipilla – Rapel, New 2X220 kV Line Lo Aguirre – A. Melipilla with one circuit installed, and 'New 2X220 kV Line Crucero – Lagunas first circuit, and the existing parallel lines.

Similarly, a calculation sheet must be submitted showing that the projected unit for the New Work, Expansion of Second 500/220 kV Transformer at Ancoa, achieves balanced energy transmission distribution with the present transformer installed at this substation. The transference levels with which the calculations should be done will be defined by the applicable CDEC for New 2X500 Line Charrúa – Ancoa first circuit line, and the existing parallel lines.

2) Likewise, the remaining points indicated in number 8.3.3 of these Bases will be evaluated as follows:

1. Description of the data transmission system.
2. General description of the vibration protection system.
3. General description of the protection system for atmospheric discharges.
4. General description of grounding mesh.
5. Description of facilities for automatic reactor control and series compensation in each project.
6. Description of series compensation for the line.

The technical consistency of each of these points will be evaluated according to the criteria indicated, and they will be awarded a score from 1.0 to 7.0. To be successful, the bidder's average score may not be below 5.0 in these five points.

For the aspects:

7. Description of the types of structures.
8. Description of the insulation arrangement.
9. Description of types of reactor units and back-up units (triphase or monophasic).

Details of experience of working on similar projects will be evaluated using scores from 1.0 to 7.0. To be successful, the bidder's average score must not be below 5.0 in these five areas.

3) To evaluate the points indicated in d) and e) in number 8.3.3 of these Bases, their technical consistency will be taken into account, and they will be given a score from 1.0 to 7.0. The bidder's score must be at least 5.0 in these points.

In the evaluations of all points in Document 16, the fulfilment of the criteria set out in e), number 8.3.3, "Minimum Project Background Requirements to be Considered," will be verified.

**APPENDIX 9 BANKS AND FINANCIAL INSTITUTIONS FOR ISSUE BONDS**

Bonds must be issued in Chile, by a banking institution set up in Chile.

**APPENDIX 10 EVALUATION OF RISK CLASSIFICATION**

Table 15: Evaluation of Risk Classification

Risk Classification	Score	
	International	Local
AAA	7.0	7.0
AA+	6.9	6.6
AA	6.8	6.4
AA-	6.6	6.2
A+	6.4	6.0
A	6.2	5.8
A-	6.0	5.6
BBB+	5.8	5.4
BBB	5.6	5.2
BBB-	5.4	5.0
BB+	5.2	4.8
BB	5.0	4.6
BB-	4.5	4.0
B+	4.0	3.5
B	3.5	3.0
B-	3.0	2.5
C or less	1.0	1.0

For the purposes of evaluating the bidder's risk classification, when the bidder is a consortium, the company in the consortium with the lowest risk classification will be used.

**APPENDIX 11 FORMAT FOR SUBMITTING QUESTIONS**

Questions must be in the format shown below, and must be sent by email to [licitacion@cdec-sing.cl](mailto:licitacion@cdec-sing.cl) or [licitacion@cdec-sic.cl](mailto:licitacion@cdec-sic.cl) as appropriate. The document must be in MS Excel or a compatible file type.

## a) Questions about the Bases document and its Appendices

Name of Participating Company				
No. of document <sup>8</sup>		Date:	dd/mm/yyyy	
No.	Number and Date of Exempt Resolution of Bases	Numeral of these Bases	Page of these Bases	Question

## b) Questions regarding a specific project

Name of Participating Company			
No. of document <sup>9</sup>		Date:	dd/mm/yyyy
Project: (Name of Project indicated in number 2 of the these Bases)			
No.	Question		

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<sup>8</sup> Number of query document from participating company