



# KenGen

**KENYA ELECTRICITY GENERATING COMPANY PLC**

**TENDER NO. KGN-SALE-010-2021**

**TENDER FOR SALE OF CERTIFIED EMISSION REDUCTIONS**

**(Open International)**

## **CLARIFICATION I**

**17<sup>th</sup> December, 2021**

In accordance with the tender for “Tender for Sale of Certified Emission Reductions” KenGen hereby issues Clarification I as follows;

<b>No.</b>	<b>Issue/Clarification</b>	<b>KenGen Response</b>
1.	Clarification on the difference between the tenderer and the procuring entity	KenGen is the procuring entity and the tenderer is the bidder. The tenderer is liable for all the cost of producing the bid documents
2.	Do the decisions made on COP 26 affect the available CERs	The decisions made at COP 26 will not affect the available CERs.
3.	Clarification of whether the CERs have been put in lots, or the bidders have to purchase the entire amount of CER on offer	<p>The issued credits are clustered into the Six projects as follows;</p> <ol style="list-style-type: none"><li>1. Optimization of Kiambere Hydro Power Project (UN ID 7783) - 160,160 CER's</li><li>2. Redevelopment of Tana Hydro Power Station (UN ID 5023) - 57,458 CER's</li><li>3. 5.1MW Ngong Hills, Wind Project (9960) - 23,868 CER's</li><li>4. Olkaria II Geothermal Expansion (UN ID 3773) - 309,495 CERs</li><li>5. Olkaria IV Geothermal Project (UN ID 8646) - 2,025,813 CERs</li><li>6. Olkaria I Units 4&amp;5 Geothermal Project (UN ID 8643) - 2,040,515 CERs</li></ol> <p>The highest bidder will be invited by KenGen to sign an emission purchase agreement, followed by the next highest bidder subject to the reserve price in case the highest bidder does not bid for the entire amount of CER's.</p>

No.	Issue/Clarification	KenGen Response
		<p><b>NB:</b> The quantities available will be subject to deduction of the contribution to share of proceeds to the adaptation fund by UNFCCC (2%).</p> <p><b>Refer to Addendum 4</b></p>
4.	What will happen to the CERs which are not absorbed by the highest bidder?	<p>CERs which are not absorbed by the highest bidder will be allocated to the next highest bidder subject to a reserve price.</p> <p><b>Refer to Addendum 4</b></p>
5.	What is the reserve price? Will it be published?	<p>A reserve price of USD 2.00 per CER</p> <p><b>Refer to Addendum 4</b></p>
6.	Payment of deposit for purchase of CERs	<p>Deposit is not required for this tender. The entire bid price will be paid before transfer of CER's to the winning bidder. An Emission Purchase Agreement will be signed upon award of the tender with clarity on payments before transfer of the CER's.</p> <p><b>Refer to Addendum 4</b></p>
7.	The Pre-Bid meeting had been indicated as <b>MANDATORY</b> , are other bidders who were not on the call allowed to bid?	<p>The Site visit is Mandatory and those who have interest in bidding and did not attend the first pre-bid may request at least 7 days before the tender closure for them to qualify for bidding.</p>

**ACKNOWLEDGEMENT OF CLARIFICATION I**

We, the undersigned hereby certify that the clarification is an integral part of the document and the alterations set out in the Clarification have been incorporated in the tender proposal.

Signed.....

Tenderer.....

Date.....