

## GOVERNMENT OF KOSOVO - 150MW WIND TENDERS

### INFORMATION BRIEF FOR INTERESTED DEVELOPERS

The Ministry of Economy of the Republic of Kosovo (ME) plans to conduct the country's first wind tenders for total supported capacity of approximately 150MW (the Projects). IFC Transaction Advisory has been appointed as lead transaction advisor to the GoK for the structuring and implementation of the tenders. The development of the Projects is also supported by USAID Kosovo Energy Sustainability Activity (ESA).

The Projects will be implemented in two consecutive tenders of ~75-100MW of supported capacity each. Each tender will be non-site specific.

Each tender will consist of two stages – Request for Qualifications (RFQ) and Request for Proposals (RFP).

The RFQ for the first tender is expected to be issued in Quarter 3 of 2024. Prequalified bidders will be invited to submit proposals in the beginning of 2025.

The RFQ and RFP for the second tender (for the remaining capacity) is expected to be issued in 2025.

ME intends to use funds from the International Monetary Fund's (IMF) Resilience and Sustainability Facility (RSF) to help develop these 150 MW of wind capacity. ME will use RSF funds to co-invest in the awarded wind projects under a Public-Private Partnership scheme (PPP), aiming to reduce the risk for private investors. Successful Projects will be awarded a long-term physically settled Power Purchase Agreement (PPA).

ME intends for the Projects to adhere to international environmental and social standards such as IFC Performance Standards on Environmental and Social Sustainability. As a result, it is envisioned that the Projects will be designed, constructed, installed, operated, maintained, and decommissioned in compliance with applicable national laws on environmental, safety, labor, social and security matters and good international industry practice.

The below sections outline the key requirements for participation in the process that interested developers are expected to be required to meet **at the RFQ stage**.

Additional information may be required at the RFP stage.

For the avoidance of doubt, this announcement is for information purpose only. It intends to provide prospective bidders with relevant information on anticipated requirements so that they can take appropriate steps to prepare their submission for the planned process. The content presented in this document is however subject to change. The listed requirements are non-exhaustive, may be reviewed and additional criteria may be introduced at the official launch of the tender process(es). The ME reserves the right to amend, review or restructure any of these criteria in the actual tender documentation that will be published shortly.

## **I. REQUIREMENTS RELATED TO THE PROJECT FEASIBILITY**

### **A. GENERAL TECHNICAL DESIGN DOCUMENTATION**

**THE INFORMATION OUTLINED IN SECTION A. WILL BE FOR INFORMATION PURPOSES ONLY. IT WILL NOT TO BE USED FOR EVALUATION OF THE PREQUALIFICATION APPLICATIONS.**

1. Description of the wind farm and coordinates, including expected grid connection substation, transmission line, interconnection point and access roads.
2. Proposed site layout and distances between the turbines together with the wind rose and the power density curve.
3. If available, single-line diagram including:
  - a. High Voltage (HV) Electrical Substation components: Medium Voltage (MV) cables, MV/HV Transformers, MV and HV switchgear, MV cables, HV cables (if present).
  - b. Electrical cabling and switchgear with equipment specification.

### **B. ENERGY YIELD ASSESSMENT REPORT**

**THE INFORMATION REQUIRED IN SECTION B. WILL BE USED FOR EVALUATION OF THE PREQUALIFICATION APPLICATIONS.**

Interested developers will be required to submit an energy yield assessment report, which must be performed by an independent, qualified wind consultant.

The report must comply with requirements B.0 through B.0 and must document the calculations of the energy yield forecast for each year of a twenty (20)-year term.

#### **B. 1 MEASUREMENT CAMPAIGN**

1. Minimum duration of one (1) year (12 months), including an entire winter season (November to March).
2. Wind measurement data is not older than five (5) years at the time of the RFQ submission deadline.
3. Suitable measurement equipment is used (e.g., met masts as standalone, met masts in combination with LiDAR or SoDAR). "Suitable" denotes measurement equipment certified by a qualified wind consultant (see section B.0).
4. All sensor data (i.e. wind speed, direction data, pressure, temperature, humidity) is recorded and time stamped at an interval not exceeding 10 minutes. Raw data is archived and stored, and an audit trail exists for data corrections so that the data can be independently verified.
5. The Annual Energy Production (AEP) estimate shall take into consideration the following aspects:
  - i. AEP shall be based on a linear wind flow model for a simple terrain or a computational fluid dynamics (CFD) model for complex terrain, as applicable to the project site.
  - ii. Long-term correction of AEP should be computed to account for the annual variability of the wind climate.

- iii. Site-specific losses and uncertainty should be estimated with the report providing the following probability of exceedance values: P50, P75, P90, P95, P99.
- iv. Extreme wind speed should be estimated to select a class of turbines suitable for the site.

## **B. 2 CERTIFICATE ISSUED BY A QUALIFIED WIND CONSULTANT**

The certificate is required to validate the quality of the wind measurement campaign and the micrositing study results for the proposed projects. The qualified wind consultant cannot be the bidder nor part of the bidder consortium and must be a member of one of the following wind energy associations or independent certification entities:

- i. Measnet: International Network for Harmonised and Recognised Measurements in Wind Energy
- ii. Global Wind Energy Council
- iii. TÜV SÜD
- iv. World Wind Energy Association

The qualified wind consultant must also demonstrate that they meet the following minimum track record requirements – to have worked on the wind measurement campaign, micrositing, and energy yield estimation of at least 1 GW of installed wind capacity.

## **B. 3. MICROSITING REPORT**

Based upon the results of the wind measurement campaign and the site orography, a first wind turbine generator (WTG) layout and micrositing shall be established using professional micrositing software (e.g., windPRO, WASP, Windfarmer).

Such software must:

1. Operate by coupling site-specific wind characteristics (speed, direction, turbulence) with terrain orography and must allow estimation of electricity production for different WTG positioning manual inputs by the developer, such as different WTG sizes, power curves, and manufacturers.
2. Consider adequate distance between wind generators according to IEC 61400 applicable design guidelines.

## **C. BIRD AND BAT BASELINE STUDIES**

### **THE INFORMATION REQUIRED IN SECTION C. WILL BE USED FOR EVALUATION OF THE PREQUALIFICATION APPLICATIONS.**

Interested developers will need to demonstrate that they have engaged specialized biodiversity consultants to conduct bird and bat baseline studies. The surveys for birds and bats should cover a minimum period of 12 months by the time the Project reaches commercial close.

For birds, the baseline survey methods will differ based on taxa, but at a minimum, they should aim to identify breeding status and flight activity, including migration activity and daily movement/foraging routes for species identified. Surveys should also include suitable breeding/roosting raptor/vulture habitat near to the Project site to assess the likelihood of daily foraging flights across the Project site.

For bats, baseline surveys should include site walkovers to identify the areas within the site that might be used by bats; year-round passive ultrasound acoustic monitoring, including at least two passive recording stations with microphones placed within rotor swept altitudes; potential and known roost search surveys within and around the wind power project (WPP) site to identify roosts, and (if possible) the general direction of leaving and returning flights; and, handheld acoustic (bat-detector) transect surveys in strategically selected locations where bat activity may be concentrated.

All methods should be in line with industry good practices for WPPs.

#### **D. OTHER INFORMATION RELATED TO THE PROJECT**

**THE INFORMATION REQUIRED IN SECTION D. WILL BE FOR INFORMATION PURPOSES ONLY, IT WILL NOT BE USED AS EVALUATION CRITERIA IN THE RFQ STAGE.**

##### **D. 1 PLANNED CONNECTION TO THE GRID**

Interested developers will be required to describe their plans to connect to the grid.

##### **D. 2 RELEVANT ENVIRONMENTAL AND SOCIAL STUDIES**

Interested developers will be required to submit the environmental and social (E&S) studies completed or already procured for the proposed project.

For studies that are yet to be completed at the time of RFQ submission, interested developers will submit the scope of work and indicate the status of advancement. Examples of potentially relevant studies are listed below. It is recognized that all may not necessarily be applicable to each project. In the instance where these studies have not been procured, interested developers must provide a brief rationale to explain why they are not relevant.

- ESIA/EIA completed for environmental consent purposes by the national regulatory authority.
- Site selection alternatives analysis, including for ancillary/associated infrastructure such as the transmission line and access roads, that is consistent with the mitigation hierarchy.
- E&S constraints mapping that identifies significant E&S constraints which may increase the E&S risk of the site and/or require substantial mitigation measures. It should include geo-referenced spatial data for identified environmental, biodiversity and social constraints (or other high-risk factors).
- Approach to land rights acquisition, including the principles and general procedures to secure land use rights and to reflect social-related impacts in lease agreements or to provide adequate compensation including resettlement and livelihood restoration support, if needed. The approach should also summarize the assessment of land ownership and potential adverse impacts and risks by the project, and status of land rights / land negotiations.
- Noise modelling.
- Shadow flicker modelling.
- Critical habitat screening that identifies all biodiversity values associated with the Project's area of influence that have the potential to qualify as critical habitat per IFC Performance Standard 6 and Guidance Note 6.
- Wildlife curtailment strategy

- Due diligence approach for forced labor risk in the supply chain

### **D. 3 ENVIRONMENTAL AND SOCIAL IMPACT ASSESSMENT (ESIA) TERMS OF REFERENCE (TOR)**

Interested developers will need to submit a Terms of Reference for the Project's ESIA that aligns with IFC Performance Standards on Environmental and Social Sustainability.

### **D. 4 STAKEHOLDER ENGAGEMENT FRAMEWORK**

Interested developers will need to submit their Stakeholder engagement framework including engagement with affected communities on social related risk and with national and/or international conservation organizations on biodiversity-related risk.

## **II. REQUIREMENTS RELATED TO THE BIDDER EXPERIENCE AND CAPABILITIES**

Interested developers, hereby referred to as Bidders, should demonstrate their eligibility on their own (or through their Parent companies) or by creating consortia with other qualified parties.

### **A. EXPERIENCE DEVELOPING AND OPERATING GRID-CONNECTED RE PROJECTS**

1. Bidders (solely or through a consortium) must demonstrate experience with developing and operating grid-connected RE projects with cumulative capacity of 60 MW, whereby at least 40 MW must be wind generation capacities, including at least one wind project with a power capacity of more than 20MW.
2. In respect of the wind project used as evidence under II. A. 1 above, Bidders must provide evidence of managing community stakeholder engagement and/or land issues related to the acquisition of land rights, community stakeholder consultation and compensation to landowners and users. Evidence may include, but is not necessarily limited to: Resettlement Action Plan, Livelihood Restoration Plan, Compensation Framework, and Stakeholder Engagement Plan.
3. Each plant used as evidence must have reached its commercial operation date in the last (10) years prior to the RFQ issuance date.
4. Each plant used as evidence must have been operational for at least one (1) year prior to the RFQ issuance date.

### **B. FINANCIAL CAPABILITY**

Bidders (solely or through a consortium) must demonstrate:

1. Net worth (calculated as assets minus liabilities) of at least 30,000,000 Euros in each of the last three (3) calendar years prior to the RFQ issuance date.
2. Annual turnover of at least 25,000,000 Euros in each of the last three (3) calendar years prior to the RFQ issuance date.

## Disclaimer:

- This document has been prepared by ME on behalf of the GoK to provide interested parties with information on the upcoming tenders for grid-connected wind projects of appr. 150MW supported capacity (the “Projects”).
- The information provided in this document is presented for information purposes only. This document does not constitute, nor is intended to constitute or create, an offer capable of acceptance or solicitation of an offer to invest or participate in the Projects. The information provided in this document intends to provide prospective bidders with relevant information on anticipated requirements so that they can take appropriate steps to prepare their submission for the planned tender. The listed requirements are non-exhaustive, may be reviewed and additional criteria may be introduced at the official launch of the tender(s) when the final tender documentation is published. It is crucial to note that compliance with any prospective criteria outlined in this document does not automatically qualify an entity for participation in the wind tender. Official qualification is contingent upon meeting all stipulated requirements as may be amended when the official tender documentation is published and including those introduced subsequently in the tender documentation. For the avoidance of doubt, the ME reserves unrestricted and unconditional rights to amend, review or restructure any of these criteria as it deems appropriate in the final tender documentation to be published shortly. For the avoidance of doubt, information presented in this document shall not be deemed as creating any legal rights on the prospective bidders to claim from the ME or other authorities to not make any further amendment, review or supplementation of the requirements in the final tender documentation.
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