

REQUEST FOR PROPOSALS

FEASIBILITY STUDY FOR THE

SMART GRID APPLICATIONS IN POWER DISTRIBUTION PROJECT IN TURKEY

Submission Deadline: **4:00 PM**
LOCAL TIME
NOVEMBER 14, 2011

Submission Place: ŞAHİN YILDIRAN
Research and Development Manager
Enerjisa Başkent Elektrik Dağıtım A.Ş.
Başkent Plaza
Ehlibeyt Mahallesi Ceyhun Atuf
Kansu Cad. No: 106
06520 Balgat-Çankaya /Ankara
Republic of Turkey
evren.ozgun@enerjisa.com.tr
sahin.yildiran@enerjisa.com.tr
ebru.ozturk@enerjisa.com.tr

Tel: 0312 573 56 02

Fax: 0312 573 50 30

SEALED PROPOSALS SHALL BE CLEARLY MARKED AND RECEIVED PRIOR TO THE TIME AND DATE SPECIFIED ABOVE. PROPOSALS RECEIVED AFTER SAID TIME AND DATE WILL NOT BE ACCEPTED OR CONSIDERED.

**N.B.: Any and all questions pertaining to the RFP should be sent to Nina Patel, USTDA,
1000 Wilson Blvd, Suite 1600, Arlington, VA 22209-3901, Tel: (703) 875-4357,
Fax: (703) 875-4009, npatel@ustda.gov**

REQUEST FOR PROPOSALS

SECTION 1: INTRODUCTION	4
1.1 BACKGROUND SUMMARY.....	4
1.2 OBJECTIVE	5
1.3 PROPOSALS TO BE SUBMITTED	5
1.4 CONTRACT FUNDED BY USTDA.....	5
SECTION 2: INSTRUCTIONS TO OFFERORS	6
2.1 PROJECT TITLE.....	6
2.2 DEFINITIONS.....	6
2.3 DESK STUDY/DEFINITIONAL MISSION REPORT	6
2.4 EXAMINATION OF DOCUMENTS	6
2.5 PROJECT FUNDING SOURCE.....	7
2.6 RESPONSIBILITY FOR COSTS	7
2.7 TAXES.....	7
2.8 CONFIDENTIALITY.....	7
2.9 ECONOMY OF PROPOSALS	7
2.10 OFFEROR CERTIFICATIONS	7
2.11 CONDITIONS REQUIRED FOR PARTICIPATION	7
2.12 LANGUAGE OF PROPOSAL.....	8
2.13 PROPOSAL SUBMISSION REQUIREMENTS	8
2.14 PACKAGING	8
2.15 AUTHORIZED SIGNATURE	9
2.16 EFFECTIVE PERIOD OF PROPOSAL	9
2.17 EXCEPTIONS	9
2.18 OFFEROR QUALIFICATIONS	9
2.19 RIGHT TO REJECT PROPOSALS	9
2.20 PRIME CONTRACTOR RESPONSIBILITY	9
2.21 AWARD	9
2.22 COMPLETE SERVICES	10
2.23 INVOICING AND PAYMENT	10
SECTION 3: PROPOSAL FORMAT AND CONTENT	11
3.1 EXECUTIVE SUMMARY	11
3.2 COMPANY INFORMATION.....	12
3.2.1 COMPANY PROFILE	12
3.2.2 OFFEROR'S AUTHORIZED NEGOTIATOR	12
3.2.3 NEGOTIATION PREREQUISITES	12
3.2.4 OFFEROR'S REPRESENTATIONS	13
3.2.5 SUBCONTRACTOR PROFILE.....	14
3.2.6 SUBCONTRACTOR'S REPRESENTATIONS	14
3.3 ORGANIZATIONAL STRUCTURE, MANAGEMENT, AND KEY PERSONNEL	15
3.4 TECHNICAL APPROACH AND WORK PLAN	15
3.5 EXPERIENCE AND QUALIFICATIONS	16
SECTION 4: AWARD CRITERIA	16

ANNEX 1	FEDBIZOPPS ANNOUNCEMENT
ANNEX 2	BACKGROUND DESK STUDY/DEFINITIONAL MISSION REPORT
ANNEX 3	USTDA NATIONALITY REQUIREMENTS
ANNEX 4	USTDA GRANT AGREEMENT, INCLUDING MANDATORY CONTRACT CLAUSES
ANNEX 5	TERMS OF REFERENCE (FROM USTDA GRANT AGREEMENT)
ANNEX 6	COMPANY INFORMATION

Section 1: INTRODUCTION

The U.S. Trade and Development Agency (USTDA) has provided a grant in the amount of US\$201,606 to Enerjisa Başkent Electricity Distribution Company (the “Grantee”) in accordance with a grant agreement dated September 16, 2011 (the “Grant Agreement”). This grant will support a Feasibility Study (the “Study”) that will introduce upgraded control systems and smart grid technology to the Enerjisa Başkent Electricity Distribution Company. The Study will assist the Grantee to integrate supervisory control and data acquisition (SCADA) systems with its current and planned information technology (IT) systems, including its geographic information system (GIS), Workforce Management System, Customer Information System and Call Center. The study will include a gap analysis, strategy proposal, estimate of investment needed and system integration recommendations. The Grant Agreement is attached at Annex 4 for reference. The Grantee is soliciting technical proposals from qualified U.S. firms to provide expert consulting services to perform the Feasibility Study.

1.1 BACKGROUND SUMMARY

Turkey is facing a potentially crippling electricity shortage due to rising demand in the midst of a bustling economic environment. In order to function more efficiently and avoid hindering economic growth, the Government of Turkey is encouraging distribution companies to implement strategies that reduce losses to the grid, which currently average 14.5% per year. Accordingly, distribution companies are seeking to incorporate improved control systems, automation and other smart grid techniques to reduce losses and increase energy efficiency.

Enerjisa Başkent Electricity Distribution Company is highly motivated to introduce smart grid techniques that would modernize its distribution operations and allow the company to meet growing electric power needs in its service territory. The company is one of twenty regional companies that were privatized last year, and the management intends to be a leader in the Turkish electricity market as an integrated utility. The company’s service territory includes over 3 million customers, covering the capital city, Ankara, and six other regions: Kırıkkale, Zonguldak, Bartın, Karabük, Çankırı, and Kastamonu. The company has set an ambitious target to command a 10% market share providing 5,000 MW of power and serving 6 million customers by the year 2015.

The Grantee has already made initial steps to incorporate elements of a smart grid system into its distribution network. The Grantee has assigned the highest priority to extend its SCADA system to cover its remaining distribution substations and to implement other smart-grid solutions, in order to improve operational performance of the electricity distribution network. SCADA and IT systems need to be integrated across all utility systems, including the Grantee’s financial system, planning system, distribution management system, call center, trouble call management system, billing system, and customer information system. The integration of all these systems allows for the seamless operation from any of the input organizations. The seamless capability of these systems to “talk” to each other is the foundational step necessary for a smart business approach to efficient utility business management. Even though each system is an independent entity, integration links should be built to allow communication among all the systems.

This Study will assist the Grantee to expand upon its smart grid efforts by developing a detailed 5-year plan and budget based upon recommended upgrades in the study. Linking state-of-the-art ICT technology throughout the distribution network in Turkey promises tremendous enhancement of reliability, capacity and customer service in Turkey's electricity sector, and this study would significantly reduce the risk of unmet demand that threatens to hinder Turkey's economic development.

A background Definitional Mission is provided for reference in Annex 2.

1.2 OBJECTIVE

The objective of this Study is to assist the Grantee to integrate supervisory control and data acquisition (SCADA) systems with its current and planned information technology (IT) systems, including its geographic information system (GIS), Workforce Management System, Customer Information System and Call Center. The Study will include a gap analysis, strategy proposal, estimate of investment needed and system integration recommendations.

The Terms of Reference (TOR) for this Feasibility Study are attached as Annex 5.

1.3 PROPOSALS TO BE SUBMITTED

Technical proposals are solicited from interested and qualified U.S. firms. The administrative and technical requirements as detailed throughout the Request for Proposals (RFP) will apply. Specific proposal format and content requirements are detailed in Section 3.

The amount for the contract has been established by a USTDA grant of US\$201,606. **The USTDA grant of US\$201,606 is a fixed amount. Accordingly, COST will not be a factor in the evaluation and therefore, cost proposals should not be submitted.** Upon detailed evaluation of technical proposals, the Grantee shall select one firm for contract negotiations.

1.4 CONTRACT FUNDED BY USTDA

In accordance with the terms and conditions of the Grant Agreement, USTDA has provided a grant in the amount of US\$201,606 to the Grantee. The funding provided under the Grant Agreement shall be used to fund the costs of the contract between the Grantee and the U.S. firm selected by the Grantee to perform the TOR. The contract must include certain USTDA Mandatory Contract Clauses relating to nationality, taxes, payment, reporting, and other matters. The USTDA nationality requirements and the USTDA Mandatory Contract Clauses are attached at Annexes 3 and 4, respectively, for reference.

Section 2: INSTRUCTIONS TO OFFERORS

2.1 PROJECT TITLE

The project is called Smart Grid Applications in Power Distribution.

2.2 DEFINITIONS

Please note the following definitions of terms as used in this RFP.

The term "Request for Proposals" means this solicitation of a formal technical proposal, including qualifications statement.

The term "Offeror" means the U.S. firm, including any and all subcontractors, which responds to the RFP and submits a formal proposal and which may or may not be successful in being awarded this procurement.

2.3 DEFINITIONAL MISSION REPORT

USTDA sponsored a Definitional Mission to address technical, financial, sociopolitical, environmental and other aspects of the proposed project. A copy of the report is attached at Annex 2 for background information only. Please note that the TOR referenced in the report are included in this RFP as Annex 5.

2.4 EXAMINATION OF DOCUMENTS

Offerors should carefully examine this RFP. It will be assumed that Offerors have done such inspection and that through examinations, inquiries and investigation they have become familiarized with local conditions and the nature of problems to be solved during the execution of the Feasibility Study.

Offerors shall address all items as specified in this RFP. Failure to adhere to this format may disqualify an Offeror from further consideration.

Submission of a proposal shall constitute evidence that the Offeror has made all the above mentioned examinations and investigations, and is free of any uncertainty with respect to conditions which would affect the execution and completion of the Feasibility Study.

2.5 PROJECT FUNDING SOURCE

The Feasibility Study will be funded under a grant from USTDA. The total amount of the grant is not to exceed US\$201,606.

2.6 RESPONSIBILITY FOR COSTS

Offeror shall be fully responsible for all costs incurred in the development and submission of the proposal. Neither USTDA nor the Grantee assumes any obligation as a result of the issuance of this RFP, the preparation or submission of a proposal by an Offeror, the evaluation of proposals, final selection or negotiation of a contract.

2.7 TAXES

Offerors should submit proposals that note that in accordance with the USTDA Mandatory Contract Clauses, USTDA grant funds shall not be used to pay any taxes, tariffs, duties, fees or other levies imposed under laws in effect in the Host Country.

2.8 CONFIDENTIALITY

The Grantee will preserve the confidentiality of any business proprietary or confidential information submitted by the Offeror, which is clearly designated as such by the Offeror, to the extent permitted by the laws of the Host Country.

2.9 ECONOMY OF PROPOSALS

Proposal documents should be prepared simply and economically, providing a comprehensive yet concise description of the Offeror's capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.

2.10 OFFEROR CERTIFICATIONS

The Offeror shall certify (a) that its proposal is genuine and is not made in the interest of, or on behalf of, any undisclosed person, firm, or corporation, and is not submitted in conformity with, and agreement of, any undisclosed group, association, organization, or corporation; (b) that it has not directly or indirectly induced or solicited any other Offeror to put in a false proposal; (c) that it has not solicited or induced any other person, firm, or corporation to refrain from submitting a proposal; and (d) that it has not sought by collusion to obtain for itself any advantage over any other Offeror or over the Grantee or USTDA or any employee thereof.

2.11 CONDITIONS REQUIRED FOR PARTICIPATION

Only U.S. firms are eligible to participate in this tender. However, U.S. firms may utilize subcontractors from the Host Country for up to 20 percent of the amount of the USTDA grant for

specific services from the TOR identified in the subcontract. USTDA's nationality requirements, including definitions, are detailed in Annex 3.

2.12 LANGUAGE OF PROPOSAL

All proposal documents shall be prepared and submitted in English, and only English.

2.13 PROPOSAL SUBMISSION REQUIREMENTS

The **Cover Letter** in the proposal must be addressed to:

ŞAHİN YILDIRAN
Research and Development Manager
Başkent Elektrik Dağıtım A.Ş.
Enerjisa Başkent Plaza
Ehlibeyt Mahallesi Ceyhun Atuf
Kansu Cad. No: 106
06520 Balgat-Çankaya /Ankara
Republic of Turkey
evren.ozgun@enerjisa.com.tr
sahin.yildiran@enerjisa.com.tr
ebru.ozturk@enerjisa.com.tr.

Tel: 0312 573 56 02

Fax: 0312 573 50 30

An Original and eight (8) copies of your proposal must be received at the above address no later than 4:00 PM, LOCAL TIME, on November 14, 2011. In addition, an electronic copy must be sent to the three email addresses above.

Proposals may be either sent by mail, overnight courier, or hand-delivered, and must be sent electronically. Whether the proposal is sent by mail, courier or hand-delivered, the Offeror shall be responsible for actual delivery of the proposal to the above address before the deadline. Any proposal received after the deadline will be returned unopened. The Grantee will promptly notify any Offeror if its proposal was received late.

Upon timely receipt, all proposals become the property of the Grantee.

2.14 PACKAGING

The original and each copy of the proposal must be sealed to ensure confidentiality of the information. The proposals should be individually wrapped and sealed, and labeled for content including "original" or "copy number x"; the original and eight (8) copies should be collectively wrapped and sealed, and clearly labeled.

Neither USTDA nor the Grantee will be responsible for premature opening of proposals not properly wrapped, sealed and labeled.

2.15 AUTHORIZED SIGNATURE

The proposal must contain the signature of a duly authorized officer or agent of the Offeror empowered with the right to bind the Offeror.

2.16 EFFECTIVE PERIOD OF PROPOSAL

The proposal shall be binding upon the Offeror for NINETY (90) days after the proposal due date, and Offeror may withdraw or modify this proposal at any time prior to the due date upon written request, signed in the same manner and by the same person who signed the original proposal.

2.17 EXCEPTIONS

All Offerors agree by their response to this RFP announcement to abide by the procedures set forth herein. No exceptions shall be permitted.

2.18 OFFEROR QUALIFICATIONS

As provided in Section 3, Offerors shall submit evidence that they have relevant past experience and have previously delivered advisory, feasibility study and/or other services similar to those required in the TOR, as applicable.

2.19 RIGHT TO REJECT PROPOSALS

The Grantee reserves the right to reject any and all proposals.

2.20 PRIME CONTRACTOR RESPONSIBILITY

Offerors have the option of subcontracting parts of the services they propose. The Offeror's proposal must include a description of any anticipated subcontracting arrangements, including the name, address, and qualifications of any subcontractors. USTDA nationality provisions apply to the use of subcontractors and are set forth in detail in Annex 3. The successful Offeror shall cause appropriate provisions of its contract, including all of the applicable USTDA Mandatory Contract Clauses, to be inserted in any subcontract funded or partially funded by USTDA grant funds.

2.21 AWARD

The Grantee shall make an award resulting from this RFP to the best qualified Offeror, on the basis of the evaluation factors set forth herein. The Grantee reserves the right to reject any and all proposals received and, in all cases, the Grantee will be the judge as to whether a proposal has or has not satisfactorily met the requirements of this RFP.

2.22 COMPLETE SERVICES

The successful Offeror shall be required to (a) provide local transportation, office space and secretarial support required to perform the TOR if such support is not provided by the Grantee; (b) provide and perform all necessary labor, supervision and services; and (c) in accordance with best technical and business practice, and in accordance with the requirements, stipulations, provisions and conditions of this RFP and the resultant contract, execute and complete the TOR to the satisfaction of the Grantee and USTDA.

2.23 INVOICING AND PAYMENT

Deliverables under the contract shall be delivered on a schedule to be agreed upon in a contract with the Grantee. The Contractor may submit invoices to the designated Grantee Project Director in accordance with a schedule to be negotiated and included in the contract. After the Grantee's approval of each invoice, the Grantee will forward the invoice to USTDA. If all of the requirements of USTDA's Mandatory Contract Clauses are met, USTDA shall make its respective disbursement of the grant funds directly to the U.S. firm in the United States. All payments by USTDA under the Grant Agreement will be made in U.S. currency. Detailed provisions with respect to invoicing and disbursement of grant funds are set forth in the USTDA Mandatory Contract Clauses attached in Annex 4.

Section 3: PROPOSAL FORMAT AND CONTENT

To expedite proposal review and evaluation, and to assure that each proposal receives the same orderly review, all proposals must follow the format described in this section.

Proposal sections and pages shall be appropriately numbered and the proposal shall include a Table of Contents. Offerors are encouraged to submit concise and clear responses to the RFP. Proposals shall contain all elements of information requested without exception. Instructions regarding the required scope and content are given in this section. The Grantee reserves the right to include any part of the selected proposal in the final contract.

The proposal shall consist of a technical proposal only. A cost proposal is NOT required because the amount for the contract has been established by a USTDA grant of US\$201,606, which is a fixed amount.

Offerors shall submit one (1) original and eight (8) copies of the proposal. Proposals received by fax cannot be accepted.

Each proposal must include the following:

- Transmittal Letter,
- Cover/Title Page,
- Table of Contents,
- Executive Summary,
- Company Information,
- Organizational Structure, Management Plan, and Key Personnel,
- Technical Approach and Work Plan, and
- Experience and Qualifications.

Detailed requirements and directions for the preparation of the proposal are presented below.

3.1 EXECUTIVE SUMMARY

An Executive Summary should be prepared describing the major elements of the proposal, including any conclusions, assumptions, and general recommendations the Offeror desires to make. Offerors are requested to make every effort to limit the length of the Executive Summary to no more than five (5) pages.

3.2 COMPANY INFORMATION

For convenience, the information required in this Section 3.2 may be submitted in the form attached in Annex 6 hereto.

3.2.1 Company Profile

Provide the information listed below relative to the Offeror's firm. If the Offeror is proposing to subcontract some of the proposed work to another firm(s), the information requested in sections 3.2.5 and 3.2.6 below must be provided for each subcontractor.

1. Name of firm and business address (street address only), including telephone and fax numbers.
2. Year established (include predecessor companies and year(s) established, if appropriate).
3. Type of ownership (e.g. public, private or closely held).
4. If private or closely held company, provide list of shareholders and the percentage of their ownership.
5. List of directors and principal officers (President, Chief Executive Officer, Vice-President(s), Secretary and Treasurer; provide full names including first, middle and last). Please place an asterisk (*) next to the names of those principal officers who will be involved in the Feasibility Study.
6. If Offeror is a subsidiary, indicate if Offeror is a wholly-owned or partially-owned subsidiary. Provide the information requested in items 1 through 5 above for the Offeror's parent(s).
7. Project Manager's name, address, telephone number, e-mail address and fax number.

3.2.2 Offeror's Authorized Negotiator

Provide name, title, address, telephone number, e-mail address and fax number of the Offeror's authorized negotiator. The person cited shall be empowered to make binding commitments for the Offeror and its subcontractors, if any.

3.2.3 Negotiation Prerequisites

1. Discuss any current or anticipated commitments which may impact the ability of the Offeror or its subcontractors to complete the Feasibility Study as proposed and reflect such impact within the project schedule.
2. Identify any specific information which is needed from the Grantee before commencing contract negotiations.

3.2.4 Offeror's Representations

If any of the following representations cannot be made, or if there are exceptions, the Offeror must provide an explanation.

1. Offeror is a corporation [*insert applicable type of entity if not a corporation*] duly organized, validly existing and in good standing under the laws of the State of _____. The Offeror has all the requisite corporate power and authority to conduct its business as presently conducted, to submit this proposal, and if selected, to execute and deliver a contract to the Grantee for the performance of the Feasibility Study. The Offeror is not debarred, suspended, or to the best of its knowledge or belief, proposed for debarment, or ineligible for the award of contracts by any federal or state governmental agency or authority.
2. The Offeror has included, with this proposal, a certified copy of its Articles of Incorporation, and a certificate of good standing issued within one month of the date of its proposal by the State of _____. The Offeror commits to notify USTDA and the Grantee if they become aware of any change in their status in the state in which they are incorporated. USTDA retains the right to request an updated certificate of good standing.
3. Neither the Offeror nor any of its principal officers have, within the three-year period preceding this RFP, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a federal, state or local government contract or subcontract; violation of federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating federal or state criminal tax laws, or receiving stolen property.
4. Neither the Offeror, nor any of its principal officers, is presently indicted for, or otherwise criminally or civilly charged with, commission of any of the offenses enumerated in paragraph 3 above.
5. There are no federal or state tax liens pending against the assets, property or business of the Offeror. The Offeror, has not, within the three-year period preceding this RFP, been notified of any delinquent federal or state taxes in an amount that exceeds \$3,000 for which the liability remains unsatisfied. Taxes are considered delinquent if (a) the tax liability has been fully determined, with no pending administrative or judicial appeals; and (b) a taxpayer has failed to pay the tax liability when full payment is due and required.
6. The Offeror has not commenced a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law. The Offeror has not had filed against it an involuntary petition under any bankruptcy, insolvency or similar law.

The selected Offeror shall notify the Grantee and USTDA if any of the representations included in its proposal are no longer true and correct at the time of its entry into a contract with the Grantee.

3.2.5 Subcontractor Profile

1. Name of firm and business address (street address only), including telephone and fax numbers.
2. Year established (include predecessor companies and year(s) established, if appropriate).

3.2.6 Subcontractor's Representations

If any of the following representations cannot be made, or if there are exceptions, the Subcontractor must provide an explanation.

1. Subcontractor is a corporation [*insert applicable type of entity if not a corporation*] duly organized, validly existing and in good standing under the laws of the State of _____. The subcontractor has all the requisite corporate power and authority to conduct its business as presently conducted, to participate in this proposal, and if the Offeror is selected, to execute and deliver a subcontract to the Offeror for the performance of the Feasibility Study and to perform the Feasibility Study. The subcontractor is not debarred, suspended, or to the best of its knowledge or belief, proposed for debarment or ineligible for the award of contracts by any federal or state governmental agency or authority.
2. Neither the subcontractor nor any of its principal officers have, within the three-year period preceding this RFP, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a federal, state or local government contract or subcontract; violation of federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating federal or state criminal tax laws, or receiving stolen property.
3. Neither the subcontractor, nor any of its principal officers, is presently indicted for, or otherwise criminally or civilly charged with, commission of any of the offenses enumerated in paragraph 2 above.
4. There are no federal or state tax liens pending against the assets, property or business of the subcontractor. The subcontractor, has not, within the three-year period preceding this RFP, been notified of any delinquent federal or state taxes in an amount that exceeds \$3,000 for which the liability remains unsatisfied. Taxes are considered delinquent if (a) the tax liability has been fully determined, with no pending administrative or judicial appeals; and (b) a taxpayer has failed to pay the tax liability when full payment is due and required.

5. The subcontractor has not commenced a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law. The subcontractor has not had filed against it an involuntary petition under any bankruptcy, insolvency or similar law.

The selected subcontractor shall notify the Offeror, Grantee and USTDA if any of the representations included in this proposal are no longer true and correct at the time of the Offeror's entry into a contract with the Grantee.

3.3 ORGANIZATIONAL STRUCTURE, MANAGEMENT, AND KEY PERSONNEL

Describe the Offeror's proposed project organizational structure. Discuss how the project will be managed including the principal and key staff assignments for this Feasibility Study. Identify the Project Manager who will be the individual responsible for this project. The Project Manager shall have the responsibility and authority to act on behalf of the Offeror in all matters related to the Feasibility Study.

Provide a listing of personnel (including subcontractors) to be engaged in the project, including both U.S. and local subcontractors, with the following information for key staff: position in the project; pertinent experience, curriculum vitae; other relevant information. If subcontractors are to be used, the Offeror shall describe the organizational relationship, if any, between the Offeror and the subcontractor.

A manpower schedule and the level of effort for the project period, by activities and tasks, as detailed under the Technical Approach and Work Plan shall be submitted. A statement confirming the availability of the proposed project manager and key staff over the duration of the project must be included in the proposal.

3.4 TECHNICAL APPROACH AND WORK PLAN

Describe in detail the proposed Technical Approach and Work Plan (the "Work Plan"). Discuss the Offeror's methodology for completing the project requirements. Include a brief narrative of the Offeror's methodology for completing the tasks within each activity series. Begin with the information gathering phase and continue through delivery and approval of all required reports.

Prepare a detailed schedule of performance that describes all activities and tasks within the Work Plan, including periodic reporting or review points, incremental delivery dates, and other project milestones.

Based on the Work Plan, and previous project experience, describe any support that the Offeror will require from the Grantee. Detail the amount of staff time required by the Grantee or other participating agencies and any work space or facilities needed to complete the Feasibility Study.

3.5 EXPERIENCE AND QUALIFICATIONS

Provide a discussion of the Offeror's experience and qualifications that are relevant to the objectives and TOR for the Feasibility Study. If a subcontractor(s) is being used, similar information must be provided for the prime and each subcontractor firm proposed for the project. The Offeror shall provide information with respect to relevant experience and qualifications of key staff proposed. The Offeror shall include letters of commitment from the individuals proposed confirming their availability for contract performance.

As many as possible but not more than six (6) relevant and verifiable project references must be provided for each of the Offeror and any subcontractor, including the following information:

Project name,
Name and address of client (indicate if joint venture),
Client contact person (name/ position/ current phone and fax numbers),
Period of Contract,
Description of services provided,
Dollar amount of Contract, and
Status and comments.

Offerors are strongly encouraged to include in their experience summary primarily those projects that are similar to or larger in scope than the Feasibility Study as described in this RFP.

Section 4: AWARD CRITERIA

Individual proposals will be initially evaluated by a Procurement Selection Committee of representatives from the Grantee. The Committee will then conduct a final evaluation and completion of ranking of qualified Offerors. The Grantee will notify USTDA of the best qualified Offeror, and upon receipt of USTDA's no-objection letter, the Grantee shall promptly notify all Offerors of the award and negotiate a contract with the best qualified Offeror. If a satisfactory contract cannot be negotiated with the best qualified Offeror, negotiations will be formally terminated. Negotiations may then be undertaken with the second most qualified Offeror and so forth.

The team of experts required to conduct this Study should include senior U.S. experts that are experienced in and fully familiar with power distribution systems, computer control systems, power system management tools, and controls. The team should have experience in economics, environmental assessment, and economic and social development. The team should have extensive international experience, preferably in Turkey. The team should include the five skills areas listed below. Some skill areas may be combined in the same specialist. The experts should have demonstrated experience to reflect the criteria as noted for each skill area.

Project Manager/Electric Power Distribution

- Background: At least 15 years of multi-disciplinary experience dealing with electric power distribution, including experience with Smart Grid technologies and workforce management (or enterprise resource planning and management).

- Project Management Background: demonstrated experience as a leader of consulting teams.
- Country/Region: international experience working on electric power distribution, preferably in Turkey or in countries at Turkey's level of economic development.
- Regulatory policy: basic familiarity with regulatory policy related to Smart Grid distribution systems.
- Experience in preparing cost estimates for the project that are in sufficient detail to satisfy the requirements of potential financiers of the project.
- Education: advanced degree or equivalent experience in engineering related to electric power distribution.

Control systems expert

- Background: At least 10 years of experience in supervisory control and data acquisition (SCADA) and other computer control systems. This experience should include broad coverage of control systems.
- Country/Region: international experience, preferably with some experience in Turkey or in countries at Turkey's level of economic development.
- Education: advanced degree or equivalent experience in electrical engineering.

Smart Grid expert

- Background: At least 10 years of experience in Smart Grid applications, Workforce Management or similar systems as applied to electric power distribution.
- Country/Region: international experience in Turkey or in countries at Turkey's level of economic development.
- Education: advanced degree or equivalent experience in electrical engineering, computer science or equivalent relevant field.

In addition to U.S. experts, host-country counterpart experts with at least 5 years experience each will be required as follows:

- Environmental assessment
- Development specialist
- Economist

The selection of the Contractor will be based on the following criteria:

1. Technical Approach and Work Plan (30% weighting).

Contractors must provide a Technical Approach and Work Plan, and within this document, describe how they will approach and conduct the assignment. As part of the Technical Approach and Work Plan, the Contracting Team must commit to work on the project as per the tasks, schedule, personnel and deliverables and related items as outlined in the Terms of Reference. They must provide written and signed commitments by each team member regarding scheduling availability (e.g., linked to specific calendar dates such as "October 1, 2011 forward" or "November 15, 2011 forward"), and commit in writing that they will retain their availability for the complete duration of the project as per the Terms of Reference's schedule. If a Contracting Team has resources or ideas as to how to enhance the Terms of Reference, these resources and/or ideas can be submitted for consideration as an enhancement to the requirements in the Terms of

Reference, but may not substitute for any tasks, deliverables or scheduling plans identified in the Terms of Reference.

2. ***Qualifications (50% weighting) of each of the key personnel***, which must be supported with:
 - (a) Detailed resumes for each of the individuals; and,
 - (b) Supporting project and/or country examples of relevant work activities to the proposed assignment as described in the Terms of Reference and within the section on Contractor Qualifications, and a description of how these project and/or country examples provide evidence of competence and/or expertise as related to the proposed assignment and Contractor Qualifications.

3. ***Experience working with government or state-run organizations***, preferably in Turkey or in countries at the same level as Turkey's economic development (20%).

Proposals that do not include all requested information may be considered non-responsive.

Price will not be a factor in contractor selection.

ANNEX 1

ŞAHİN YILDIRAN, Research and Development Manager, Enerjisa Başkent Electricity Distribution Company, Başkent Plaza, Ehlibeyt Mahallesi Ceyhun Atuf, Kansu Cad. No: 106, 06520 Balgat-Çankaya /Ankara, Republic of Turkey, Tel: 0312 573 56 02, Fax: 0312 573 50 30

SMART GRID APPLICATIONS IN POWER DISTRIBUTION FEASIBILITY STUDY

POC: Nina Patel, USTDA, 1000 Wilson Boulevard, Suite 1600, Arlington, VA 22209-3901, Tel: (703) 875-4357, Fax: (703) 875-4009. Smart Grid Applications in Power Distribution Feasibility Study in Turkey. The Grantee invites submission of qualifications and proposal data (collectively referred to as the "Proposal") from interested U.S. firms that are qualified on the basis of experience and capability to develop a feasibility study to integrate supervisory control and data acquisition (SCADA) systems with its current and planned information technology (IT) systems, including its geographic information system (GIS), Workforce Management System, Customer Information System and Call Center. The study will include a gap analysis, strategy proposal, estimate of investment needed and system integration recommendations.

Turkey is facing a potentially crippling electricity shortage due to rising demand in the midst of a bustling economic environment. In order to function more efficiently and avoid hindering economic growth, the Government of Turkey is encouraging distribution companies to implement strategies that reduce losses to the grid, which currently average 14.5% per year, or more than double the 5.9% losses that occur in the United States. Accordingly, distribution companies are seeking improved control systems, automation and other smart grid techniques to reduce losses and increase energy efficiency.

The Grantee is highly motivated to introduce smart grid techniques that would modernize its distribution operations and allow the company to meet growing electric power needs in its service territory. The Grantee is one of twenty regional companies that were privatized last year, and the management intends to be the leader in the Turkish electricity market as an integrated utility. The company's service territory includes over 3 million customers, covering the capital city Ankara and six other regions: Kırıkkale, Zonguldak, Bartın, Karabük, Çankırı, and Kastamonu. The company has set an ambitious target to command a 10% market share providing 5,000 MW of power and serving 6 million customers by the year 2015.

The Grantee has already made initial steps to incorporate elements of a smart grid system into its distribution network. The Grantee has assigned the highest priority to extend its SCADA system to cover its remaining distribution substations and to implement other smart-grid solutions, in order to improve operational performance of the electricity distribution network and to connect to the wider European system. This Study will assist the Grantee to expand upon its smart grid efforts by developing a detailed 5-year plan and budget based upon recommended upgrades in the study. Linking state-of-the-art ICT technology throughout the distribution network in Turkey promises tremendous enhancement of reliability, capacity and customer service in Turkey's electricity sector, and this study would significantly reduce the risk of unmet demand that threatens to hinder Turkey's economic development.

The objective of the Study is to analyze how the Grantee can integrate its SCADA systems with their current and planned IT systems. The Study will allow the Grantee to incorporate IT tools with its control centers, distribution networks, and all of the interactions among these parts. The

seamless capability of these systems to “talk” to each other is the foundational step necessary for a smart business approach to efficient utility business management.

The U.S. firm selected will be paid in U.S. dollars from a \$201,606 grant to the Grantee from the U.S. Trade and Development Agency (USTDA).

A detailed Request for Proposals (RFP), which includes requirements for the Proposal, the Terms of Reference, and a background definitional mission/desk study report are available from USTDA, at 1000 Wilson Boulevard, Suite 1600, Arlington, VA 22209-3901. To request the RFP in PDF format, please go to: <https://www.ustda.gov/businessopps/rfpform.asp>. Requests for a mailed hardcopy version of the RFP may also be faxed to the IRC, USTDA at 703-875-4009. In the fax, please include your firm’s name, contact person, address, and telephone number. Some firms have found that RFP materials sent by U.S. mail do not reach them in time for preparation of an adequate response. Firms that want USTDA to use an overnight delivery service should include the name of the delivery service and your firm's account number in the request for the RFP. Firms that want to send a courier to USTDA to retrieve the RFP should allow one hour after faxing the request to USTDA before scheduling a pick-up. Please note that no telephone requests for the RFP will be honored. Please check your internal fax verification receipt. Because of the large number of RFP requests, USTDA cannot respond to requests for fax verification. Requests for RFPs received before 4:00 PM will be mailed the same day. Requests received after 4:00 PM will be mailed the following day. Please check with your courier and/or mail room before calling USTDA.

Only U.S. firms and individuals may bid on this USTDA financed activity. Interested firms, their subcontractors and employees of all participants must qualify under USTDA's nationality requirements as of the due date for submission of qualifications and proposals and, if selected to carry out the USTDA-financed activity, must continue to meet such requirements throughout the duration of the USTDA-financed activity. All goods and services to be provided by the selected firm shall have their nationality, source and origin in the U.S. or host country. The U.S. firm may use subcontractors from the host country for up to 20 percent of the USTDA grant amount. Details of USTDA's nationality requirements and mandatory contract clauses are also included in the RFP.

Interested U.S. firms should submit their Proposal in English directly to the Grantee by 4:00 PM, LOCAL TIME, NOVEMBER 14, 2011, at the above address. Evaluation criteria for the Proposal are included in the RFP. Price will not be a factor in contractor selection, and therefore, cost proposals should NOT be submitted. The Grantee reserves the right to reject any and/or all Proposals. The Grantee also reserves the right to contract with the selected firm for subsequent work related to the project. The Grantee is not bound to pay for any costs associated with the preparation and submission of Proposals.

ANNEX 2

PROJECT #3: SMART GRID FEASIBILITY STUDY FOR BAŞKENT ELEKTRİK DAĞITIM A.Ş. COMPANY

1. SUMMARY

The Definitional Mission (DM) team identified strong interest by the Başkent Elektrik Company in upgrading control and data systems in the electric power transmission system and in introducing Smart Grid technology to that system. Başkent is asking the U.S. Trade and Development Agency to assist them by retaining U.S. consultants to assess how their SCADA systems can be integrated with their current and planned information technology (IT) systems. The project will provide those consultants.

The cost of the study is recommended to be USUS\$ 201,606 and will take approximately six months to complete.

2. BACKGROUND AND PROJECT DESCRIPTION

In 1993 in view of Turkey's market liberalization and privatization, Turkey's integrated electricity utility, TEK, was separated into TEİAŞ (generation, transmission and wholesale) and TEDAŞ (distribution). TEDAŞ was shifted to the “privatization program” of the Privatization Administration in April 2004 and was restructured into 20 regional companies in 2005 that operate the system under transfer of operating rights contracts. TEİAŞ remains a government agency. Başkent Elektrik is one of the privatized distribution companies.

Başkent Elektrik Dağıtım A.Ş.'s service territory covers the capital city Ankara and six other regions: Kırıkkale, Zonguldak, Bartın, Karabük, Çankırı, and Kastamonu. The territory includes 3,075,800 customers and around 7 million people. The company won the privatization tender for the block sale of 100% of the shares of Başkent Elektrik Dağıtım A.Ş. (Başkent EDAŞ), on July 1, 2008. Purchase price for the operating rights was USUS\$1,225,000.

Project Description: This project will analyze how Başkent Elektrik can integrate its supervisory control and data acquisition (SCADA) systems with their current and planned information technology (IT) systems, including their geographic information system (GIS), Workforce Management System, Customer Information System, Call Center and SAP systems.³

³ A technical note: Smart distribution grids integrate modern information and communications technology with electric power distribution systems. Smart Grids can include use of electronic monitoring and metering devices, a communications network to connect those devices through control centers, and supervisory and control and data acquisition (SCADA) systems. They can also include including systems for customer care & billing, outage/distribution management, and data warehousing. Finally, they can include workforce management Systems—mobile and control center workforce management systems—all

The analyses that Başkent requests and which is proposed in this report would include:

- Factors and issues that stand between the present state of Başkent Elektrik and a technologically mature distribution company employing state of the art Smart Grid distribution systems solutions.
- Based on the above gap analysis, develop a set of detailed written recommendations to Başkent that adhere to industry proven practices, that address related international standards and that would integrate the Başkent IT Systems with a state of the art Smart Grid system.
- Investment needed to incorporate Smart Grid applications into the Başkent system.
- A detailed 5-year plan and budget based on the final agreed upon applications as recommended in the study and adopted by Başkent Elektrik
- Environmental, developmental, financial, and U.S. labor and export aspects of a Smart Grid for the Başkent Elektrik Company.

SCADA and IT systems need to be integrated across all utility systems including financial systems (FS), planning systems (PS), distribution management Systems (DMS), call center (CC), trouble call management System (TCMS), billing Systems (BS) and customer Information Systems (CIS). The integration of all these systems allows for the seamless operation from any of the input organizations.

The seamless capability of these systems to “talk” to each other is the foundational step necessary for a smart business approach to efficient utility business management. Even though each system is an independent entity, integration links should be built to allow communication among all the systems. To ensure that there is data integrity and that each systems database is secure, all functional data is stored in a data warehouse. The data warehouse allows for all users to be able to access any of the business information but does not allow for system database changes. This keeps the integrity of the front line business application.

3. PROJECT SPONSOR'S CAPABILITIES AND COMMITMENT

The DM Team finds that Başkent Elektrik is highly motivated to promote the Smart Grid opportunities identified by the Team. This interest is driven by the company's needs to modernize its distribution operations to meet the electric power needs in its service territory.

It is important to note here that there is considerable risk in recommending sophisticated Smart Grid applications in situations where electric power sector personnel and institutions are not ready to use them. The DM Team was well aware of this risk during its discussions with Başkent Elektrik in Turkey and emphasized the point that basic controls and good data management are the first order of business in both the

consisting of computer and communications software and hardware and ideally all integrated into one seamless control and management system.

transmission and distribution sectors. The "smartness" or intelligence of Smart Grid applications can vary from simple controls and good management techniques to sophisticated automated systems that can, for example, "heal" themselves once a fault in the system occurs. The range of sophistication in the U.S. system, which while still developing is advanced, is very broad, covering everything from better record keeping to completely automated subsectors.

Başkent Elektrik Dağıtım A.Ş. is a sophisticated company. It is privately held by the parent company Enerjisa, which is a joint venture of Hacı Ömer Sabancı Holding and Verbund AG. Sabancı is one of the biggest industry and financial group in Turkey and Verbund is an energy leader in Austria. Enerjisa states that it intends for Başkent EDAŞ to be the leading service company of the Turkish electricity sector, adhering to internationally accepted target benchmarks and highest customer satisfaction.

The joint venture partners that own Başkent are each highly capable technically and well situated financially.

Sabancı: Hacı Omer Sabancı Holding A.S. (Sabancı Holding) is the holding company of Sabancı Group, an industrial and financial conglomerate based in Turkey. Sabancı Holding owns 69 companies and 11 joint ventures that are organized under seven strategic business units: Financial Services, Tire Reinforcement Materials and Automotive, Retail, Cement, Energy, Trading and Marketing. Other activities consist of plastic pipe production, paper and packaging products and services, tourism facilities management, information technology and telecommunication services, and tobacco production and distribution. The Sabancı Group Companies operate in 18 countries and export products to Europe, the Middle East, Asia, North Africa, North and South America. Sabancı Holding has partnerships with several international companies, such as Citigroup, Bridgestone, Toyota, Hilton International, Mitsubishi, Carrefour, Verbund, Heidelberg Cement, Dia, Aviva, International Paper and Philip Morris.

Verbund: Verbund AG is an Austria-based Company that generates, transfers, trades and sells electrical energy to electricity exchange users, traders, provincial energy companies, industrial enterprises, households and commercial customers and holds interests in companies that engage in such activities. The Company divides its activities into the three business activities—electricity, grid and equity interests. In electricity trading, VERBUND AG operates in over 20 European countries and trades on European electricity exchanges, the bilateral over-the-counter (OTC) market in many Central European countries as well as in Eastern and South-Eastern Europe. At the end of 2010, the Company had some 235,000 customers in Austria in the household/agriculture and commercial segment with up to an annual electricity consumption of 100,000 kilowatt hours (kWh). VERBUND AG operates through its numerous subsidiaries as well as affiliated companies.

Discussions with the company's technical and management staff in Ankara confirmed the Team's opinion of Başkent as technically sophisticated, reliable and fully committed to this project. The DM Team believes that Başkent Elektrik has more than enough interest

and potential capability to manage complicated Smart Grid technologies and related management systems.

4. IMPLEMENTATION FINANCING

Because Turkey is facing a potentially crippling electricity shortage, the Turkish government is making strong efforts to promote private sector development of greenfield and brownfield power plant projects, as well as exploring alternative sources of energy such as wind, hydro and geothermal power as a way of meeting this shortfall. These plants will require a modernized transmission and distribution system and the Turkish officials interviewed during the DM Team's visit in January 2011 emphasized the financial commitment of the Turkish government to support this modernization.

Likely financing sources for Smart Grid applications in Turkey's distribution companies include self finance from the joint venture partners, Turkish banks, multilateral development banks, such as EBRD and the World Bank and U.S. Exim and, for private investments, OPIC. Başkent Elektrik's joint venture parents Sebanci in Turkey and Verbund in Austria are both well-established firms with ready access to private capital. The descriptions of each company above indicate that the companies have well-established relationships with private banks and with government sources of finance.

In July 2010 The Export-Import Bank of the United States (Ex-Im Bank) signed a memorandum of understanding (MOU) with the Ministry of Energy and Natural Resources of the Republic of Turkey to cooperate in financing U.S. exports to Turkey. Under the MOU, Ex-Im Bank and the Ministry of Energy and Natural Resources agreed to share information on trade and business opportunities to facilitate sales of U.S. goods and services offering environmental benefits to Turkey's energy sector, including renewable energy and energy efficiency exports. Turkey is one of nine priority countries being targeted for financing by Ex-Im Bank because of the major opportunities it offers U.S. exporters.

5. U.S. EXPORT POTENTIAL

The recommended study will create opportunities for new commercial relationships between Turkish companies that would use U.S. goods and services in project implementation. Any such activities would, in turn, generate orders and sales of U.S. equipment and services, with the corresponding benefits in terms of U.S. jobs.

The size of the potential Smart Grid market: EMG has not found any analysis of the Smart Grid market in Turkey, but we have made a rough calculation based on a comparison with the United States market.

The U.S. Smart Grid market, according to various market research firms is sizable. The market research firm Zpryme expects the market to double from its 2009 value of US\$21.4 billion to US\$42.8 billion in 2014. Pike Research estimates that the market will reach about US\$35 billion by 2013. *Smart Grid Technologies* reports that the Smart Grid

market hit about US\$10 billion in 2009, US\$18 billion in 2010 and will rise steadily until 2013. IMS Research expects that the distribution automation sub sector will reach US\$1.5 billion in 2011. In order to make an order of magnitude comparison with Turkey, we use a conservative U.S. market figure of US\$35 billion by 2015.

The installed electric power capacity in the United States is about 1,025 GW; in Turkey it is about 49 GW, roughly five percent of that in the U.S. If one assumes that the market in Turkey will develop in a similar fashion to that in the U.S., then a first estimate of the Smart Grid Turkish market would be on the order of 5 percent of US\$35 billion, or US\$1.75 billion.

The various Smart Grid subsectors—metering, transmission automation, SCADA systems—will undoubtedly develop differently in Turkey than in the U.S. because, among other things, the distribution sector in the U.S. has been 80 percent privatized for decades, while that in Turkey has been privatized for only about one year. Nevertheless, one can safely say that the overall Turkish market is a healthy one for U.S. goods and services and this study will help introduce U.S. companies to the Turkish market.

The portion of the export market estimated above that relates to the Başkent system will be estimated as part of this study. The EMG Team, based on discussions in Turkey with Başkent, determined that their main interests lie in integrating their software systems with the enterprise management system, workforce management and other systems. SCADA systems are in use only for telemetry and only in Ankara. What to do elsewhere is part of their need.

The Team's estimate of this specific market is on the order of US\$20 to 50 million. U.S. companies that can take part include, among others, Telvent (CO) and Tetrattech (CA).

6. FOREIGN COMPETITION AND MARKET ENTRY ISSUES

Because Turkey is part of Europe and is striving to join the European Union, the major foreign competition for Smart Grid applications in the country are from European firms such as Siemens, Schneider Electric and others.

In some aspects, Europe is ahead of the United States in developing and applying Smart Grid technologies. Like California, Europe has adopted a regulatory approach to requiring the introduction of Smart Grid technology and like California, where utilities such as San Diego Gas and Electric and Southern California Edison are Smart Grid industry leaders, that pressure has caused the European Smart Grid market to expand faster than that in the United States.

Nevertheless, Smart Grid markets worldwide are new markets and Smart Grid technologies are by no means well established. The U.S. retains strong competence in information technology and this, coupled with the strong entrepreneurial spirit exhibited by the private companies in Turkey that the DM Team interviewed, should allow U.S.

suppliers to capture a significant segment of the Turkish Smart Grid market. There is no reason to believe why U.S. firms will not capture at least 10 to 20 percent of the Turkish market, which translates into US\$175 to US\$350 million dollars worth of export potential. For Başkent, the opportunity is estimated at US\$20 to 50 million.

If Başkent Elektrik uses U.S. based Smart Grid applications, the company's high visibility position will increase the probability that other companies will source their Smart Grid applications in the U.S. as well. By USTDA funding this feasibility study and facilitating U.S. based Smart Grid applications into Başkent 's distribution system, U.S. technology will be showcased in a way that will assist U.S. suppliers in capturing that market segment.

The DM Team found no issues that would hinder market entry by U.S. firms.

7. DEVELOPMENTAL IMPACTS

The Turkish electric power sector faces two major development challenges:

- Electricity shortages that may occur in this year and beyond
- High transmission and distribution system losses that hinder the country's economic growth and hinder the ability of the distribution companies to remain viable businesses.

In spite of some serious setbacks in recent years (the severe Marmara earthquake and the banking crisis in 2001), Turkey's economy has grown at a resilient pace. For example, GDP grew at an average 6.9% over the period 2002-07. In 2008, the overall GDP growth was approximately 2.3%; in the first half of 2008, GDP grew by 4.0-6.3% but in the second half the growth was reduced to 0.5%. During meetings between IMF and the Turkish Central Bank on January 16-17, 2009, it was reported that the GDP growth for 2009 had been revised because of the global economic downturn to 1.0% (from the previous 4% official forecast). However, the consensus is that long-term economic growth will resume at a similar pace as the recent past.

EMG's assessment is that the government's electricity demand forecasts are reasonable for the post-2011 period. For 2009/10, electricity demand is likely to expand by zero to 1.3%, instead of 6.4% projected by the government. An actual contraction of the demand remains possible if economic activity falls short of the most recent forecasts.

A consensus of analyses is that, ignoring the impact of the current financial crisis, there would have been a lack of adequate capacity and electric energy as early as early as 2010. This was based in part on the observation that a minimum 15% reserve margin is needed for safe power system operation. Also, there was little excess energy supply in 2009/10, especially if firm power capacity is taken into account. If planned projects do not materialize as scheduled, lack of adequate electric supply could become a problem as early as this year or next (2011-2012).

Improved control systems, automation and other Smart Grid techniques can significantly reduce losses and increase efficiency to mitigate potential shortfalls in the supply of electric power. This will significantly reduce the risk of power shortages hindering turkey's economic development.

It can safely be said that there are no alternatives to Turkey developing more efficient power distribution systems through modernization by Smart Grid applications including workforce management systems.

This study would carry benefits for Turkey that would fulfill four of USTDA's development impact measures: infrastructure, market-oriented reform, human capacity building, and technology transfer/productivity improvement.

Infrastructure – As Smart Grid programs become more commonplace and are implemented on an increasingly wide scale, this activity would lift burdens on applicable areas of the Turkish grid, thus lowering the likelihood of excessive demand overloading that infrastructure.

Market-Oriented Reform – By sharing and promoting policy and best-practices frameworks for distribution company operation, this study would contribute to policy development and reform in Turkey that could lead to an electricity market that is similar to – and ideally as effective as – those that are developing in the U.S.

Human Capacity Building – The establishment of a market for Smart Grid technologies would create new jobs. Furthermore, the equipment and services of local businesses would be required to implement individual projects.

Technology Transfer and Productivity Improvement – Many aspects of Smart Grid programs for distribution require modern, energy-saving technologies (for example, advanced monitoring and controls systems) that would have to be imported into Turkey. These would set a standard and become necessary components of effective energy efficiency systems.

8. IMPACT ON THE ENVIRONMENT

The Feasibility Study itself will have little or no environmental impact, as it involves no activities other than meetings and analytical studies. The feasibility study will analyze in detail the environmental impacts of modernizing and automating one distribution system.

The DM Team's belief is that Smart Grid applications in Turkey can only enhance the country's own environment and add to the environmental improvement planned and anticipated in Europe as a whole. Smart Grid applications can be expected to increase Turkey's capability to minimize electricity losses and use energy more efficiently, and this will not only reduce local air pollutants such as sulfur dioxide, oxides of nitrogen and other contaminants produced from burning fossil fuels, but also carbon dioxide and other greenhouse gases that are implicated in the current concern over global climate change.

9. IMPACT ON U.S. LABOR

The DM Team has not determined what share of Turkey's estimated US\$1.75 billion Smart Grid market U.S. suppliers can capture, so it is without a basis to quantify with any precision the impact of this project on U.S. labor. One can, however, make some very rough estimates.

The U.S. Administration has stated that Smart Grid applications will "create tens of thousands of jobs" and reduce power outages that cost American consumers US\$150 billion a year--every man, woman and child in the United States will save about US\$500 each year. Turkey, with its smaller market, offers U.S. employers a smaller jobs opportunity, but there is no doubt that the impact on U.S. labor will be positive. If Turkey's Smart Grid is $1.75/35 = 5$ percent of the U.S. market, as was discussed in section 5 above, then that 5 percent times "tens of thousands" of jobs amounts to 500 to several thousand Smart Grid jobs related to Turkey. This is clearly a very rough estimate, but it does demonstrate that Smart Grid implementation can create jobs.

Based on EMG's experience with consulting, the EMG Team's estimate of US\$20 to 50 million for the Başkent opportunity represents 200 to 500 person years of consulting services.

10. DEFINITIONAL MISSION TEAM RECOMMENDATION AND JUSTIFICATION

The EMG Team recommends that USTDA support a feasibility study of implementing a Smart Grid systems for the Turkish distribution system as managed by Başkent Elektrik.

The DM Team believes that USTDA support for the feasibility study would:

- *Strengthen Turkey's capacity to apply best Smart Grid and control practices in managing its distribution systems to increase its ability to support Turkey's desired economic growth.*
- *Create commercial opportunities for U.S. equipment suppliers and developers.*

Because Turkey faces the prospect of energy shortages in the near future, any project that contributes to better management of the power sector is an extremely high priority. The energy savings to be accrued from widely adopted Smart Grid improvement programs could be quite substantial, since on a facility-by-facility basis the reduction in power losses could range from up to 15%-35% of preprogram electrical energy use.

The recommended budget for this study is attached and amounts to US\$201,606 and is expected to take six months to complete.

The recommended Terms of Reference and qualifications and criteria for Contractor selection are attached.

ANNEX 3



**U.S. TRADE AND DEVELOPMENT AGENCY
Arlington, VA 22209-2131**

NATIONALITY, SOURCE, AND ORIGIN REQUIREMENTS

The purpose of USTDA's nationality, source, and origin requirements is to assure the maximum practicable participation of American contractors, technology, equipment and materials in the prefeasibility, feasibility, and implementation stages of a project.

USTDA STANDARD RULE (GRANT AGREEMENT STANDARD LANGUAGE):

Except as USTDA may otherwise agree, each of the following provisions shall apply to the delivery of goods and services funded by USTDA under this Grant Agreement: (a) for professional services, the Contractor must be either a U.S. firm or U.S. individual; (b) the Contractor may use U.S. subcontractors without limitation, but the use of subcontractors from host country may not exceed twenty percent (20%) of the USTDA Grant amount and may only be used for specific services from the Terms of Reference identified in the subcontract; (c) employees of U.S. Contractor or U.S. subcontractor firms responsible for professional services shall be U.S. citizens or non-U.S. citizens lawfully admitted for permanent residence in the U.S.; (d) goods purchased for implementation of the Study and associated delivery services (e.g., international transportation and insurance) must have their nationality, source and origin in the United States; and (e) goods and services incidental to Study support (e.g., local lodging, food, and transportation) in host country are not subject to the above restrictions. USTDA will make available further details concerning these standards of eligibility upon request.

NATIONALITY:

1) Rule

Except as USTDA may otherwise agree, the Contractor for USTDA funded activities must be either a U.S. firm or a U.S. individual. Prime contractors may utilize U.S.

subcontractors without limitation, but the use of host country subcontractors is limited to 20% of the USTDA grant amount.

2) Application

Accordingly, only a U.S. firm or U.S. individual may submit proposals on USTDA funded activities. Although those proposals may include subcontracting arrangements with host country firms or individuals for up to 20% of the USTDA grant amount, they may not include subcontracts with third country entities. U.S. firms submitting proposals must ensure that the professional services funded by the USTDA grant, to the extent not subcontracted to host country entities, are supplied by employees of the firm or employees of U.S. subcontractor firms who are U.S. individuals.

Interested U.S. firms and consultants who submit proposals must meet USTDA nationality requirements as of the due date for the submission of proposals and, if selected, must continue to meet such requirements throughout the duration of the USTDA-financed activity. These nationality provisions apply to whatever portion of the Terms of Reference is funded with the USTDA grant.

3) Definitions

A "U.S. individual" is (a) a U.S. citizen, or (b) a non-U.S. citizen lawfully admitted for permanent residence in the U.S. (a green card holder).

A "U.S. firm" is a privately owned firm which is incorporated in the U.S., with its principal place of business in the U.S., and which is either (a) more than 50% owned by U.S. individuals, or (b) has been incorporated in the U.S. for more than three (3) years prior to the issuance date of the request for proposals; has performed similar services in the U.S. for that three (3) year period; employs U.S. citizens in more than half of its permanent full-time positions in the U.S.; and has the existing capability in the U.S. to perform the work in question.

A partnership, organized in the U.S. with its principal place of business in the U.S., may also qualify as a "U.S. firm" as would a joint venture organized or incorporated in the United States consisting entirely of U.S. firms and/or U.S. individuals.

A nonprofit organization, such as an educational institution, foundation, or association may also qualify as a "U.S. firm" if it is incorporated in the United States and managed by a governing body, a majority of whose members are U.S. individuals.

SOURCE AND ORIGIN:

1) Rule

In addition to the nationality requirement stated above, any goods (e.g., equipment and materials) and services related to their shipment (e.g., international transportation and insurance) funded under the USTDA Grant Agreement must have their source and origin in the United States, unless USTDA otherwise agrees. However, necessary purchases of goods and project support services which are unavailable from a U.S. source (e.g., local food, housing and transportation) are eligible without specific USTDA approval.

2) Application

Accordingly, the prime contractor must be able to demonstrate that all goods and services purchased in the host country to carry out the Terms of Reference for a USTDA Grant Agreement that were not of U.S. source and origin were unavailable in the United States.

3) Definitions

“Source” means the country from which shipment is made.

"Origin" means the place of production, through manufacturing, assembly or otherwise.

Questions regarding these nationality, source and origin requirements may be addressed to the USTDA Office of General Counsel.

A N N E X 4

GRANT AGREEMENT

This Grant Agreement is entered into between the Government of the United States of America, acting through the U.S. Trade and Development Agency ("USTDA") and Başkent Elektrik Dağıtım Anonim Şirketi, a company incorporated under the laws of Turkey ("Grantee"). USTDA agrees to provide the Grantee under the terms of this Agreement US\$201,606 ("USTDA Grant") to fund the cost of goods and services required for a feasibility study ("Study") on the proposed Smart Grid Applications in Power Distribution ("Project") in Turkey ("Host Country").

1. USTDA Funding

The funding to be provided under this Grant Agreement shall be used to fund the costs of a contract between the Grantee and the U.S. firm selected by the Grantee ("Contractor") under which the Contractor will perform the Study ("Contract"). Payment to the Contractor will be made directly by USTDA on behalf of the Grantee with the USTDA Grant funds provided under this Grant Agreement.

2. Terms of Reference

The Terms of Reference for the Study ("Terms of Reference") are attached as Annex I and are hereby made a part of this Grant Agreement. The Study will examine the technical, financial, environmental, and other critical aspects of the proposed Project. The Terms of Reference for the Study shall also be included in the Contract.

3. Standards of Conduct

USTDA and the Grantee recognize the existence of standards of conduct for public officials, and commercial entities, in their respective countries. The parties to this Grant Agreement and the Contractor shall observe these standards, which include not accepting payment of money or anything of value, directly or indirectly, from any person for the purpose of illegally or improperly inducing anyone to take any action favorable to any party in connection with the Study.

4. Grantee Responsibilities

The Grantee shall undertake its best efforts to provide reasonable support for the Contractor, such as local transportation, office space, and secretarial support.



5. USTDA as Financier

(A) USTDA Approval of Competitive Selection Procedures

Selection of the U.S. Contractor shall be carried out by the Grantee according to its established procedures for the competitive selection of contractors with advance notice of the procurement published online through *Federal Business Opportunities* (www.fedbizopps.gov). Upon request, the Grantee will submit these contracting procedures and related documents to USTDA for information and/or approval.

(B) USTDA Approval of Contractor Selection

The Grantee shall notify USTDA at the address of record set forth in Article 17 below upon selection of the Contractor to perform the Study. Upon approval of this selection by USTDA, the Grantee and the Contractor shall then enter into a Contract for performance of the Study. The Grantee shall notify in writing the U.S. firms that submitted unsuccessful proposals to perform the Study that they were not selected.

(C) USTDA Approval of Contract Between Grantee and Contractor

The Grantee and the Contractor shall enter into a Contract for performance of the Study. This Contract, and any amendments thereto, including assignments and changes in the Terms of Reference, must be approved by USTDA in writing. To expedite this approval, the Grantee (or the Contractor on the Grantee's behalf) shall transmit to USTDA, at the address set forth in Article 17 below, a photocopy of an English language version of the signed Contract or a final negotiated draft version of the Contract.

(D) USTDA Not a Party to the Contract

It is understood by the parties that USTDA has reserved certain rights such as, but not limited to, the right to approve the terms of the Contract and any amendments thereto, including assignments, the selection of all Contractors, the Terms of Reference, the Final Report, and any and all documents related to any contract funded under the Grant Agreement. The parties hereto further understand and agree that USTDA, in reserving any or all of the foregoing approval rights, has acted solely as a financing entity to assure the proper use of United States Government funds, and that any decision by USTDA to exercise or refrain from exercising these approval rights shall be made as a financier in the course of funding the Study and shall not be construed as making USTDA a party to the Contract. The parties hereto understand and agree that USTDA may, from time to time, exercise the foregoing approval rights, or discuss matters related to these rights and the Project with the parties to the Contract or any subcontract, jointly or separately, without thereby incurring any responsibility or liability to such parties. Any approval or failure to approve by USTDA shall not bar the Grantee or USTDA from asserting any right they might have against the

CBH

YW

2 JF

Contractor, or relieve the Contractor of any liability which the Contractor might otherwise have to the Grantee or USTDA.

(E) Grant Agreement Controlling

Regardless of USTDA approval, the rights and obligations of any party to the Contract or subcontract thereunder must be consistent with this Grant Agreement. In the event of any inconsistency between the Grant Agreement and any Contract or subcontract funded by the Grant Agreement, the Grant Agreement shall prevail.

6. Disbursement Procedures

(A) USTDA Approval of Contract Required

USTDA will make disbursements of USTDA Grant funds directly to the Contractor only after USTDA approves the Grantee's Contract with the Contractor.

(B) Contractor Invoice Requirements

The Grantee should request disbursement of funds by USTDA to the Contractor for performance of the Study by submitting invoices in accordance with the procedures set forth in the USTDA Mandatory Clauses in Annex II.

7. Effective Date

The effective date of this Grant Agreement ("Effective Date") shall be the date of signature by both parties or, if the parties sign on different dates, the date of the last signature.

8. Study Schedule

(A) Study Completion Date

The completion date for the Study, which is June 10, 2012, is the date by which the parties estimate that the Study will have been completed. The parties agree and acknowledge that the Grantee shall have right to postpone such date in case the Project is not finalized until the agreed date.

(B) Time Limitation on Disbursement of USTDA Grant Funds

Except as USTDA may otherwise agree, (a) no USTDA funds may be disbursed under this Grant Agreement for goods and services which are provided prior to the Effective Date of the Grant Agreement; and (b) all funds made available under the Grant Agreement must be disbursed within four (4) years from the Effective Date of the Grant Agreement.

Ym

CBK

3

9. USTDA Mandatory Clauses

All contracts funded under this Grant Agreement shall include the USTDA Mandatory Clauses set forth in Annex II to this Grant Agreement. All subcontracts funded or partially funded with USTDA Grant funds shall include the USTDA Mandatory Clauses, except for clauses B(1), G, H, I, and J.

10. Use of U.S. Carriers

(A) Air

Transportation by air of persons or property funded under the Grant Agreement shall be on U.S. flag carriers in accordance with the Fly America Act, 49 U.S.C. 40118, to the extent service by such carriers is available, as provided under applicable U.S. Government regulations.

(B) Marine

Transportation by sea of property funded under the Grant Agreement shall be on U.S. carriers in accordance with U.S. cargo preference law.

11. Nationality, Source and Origin

Except as USTDA may otherwise agree, the following provisions shall govern the delivery of goods and services funded by USTDA under the Grant Agreement: (a) for professional services, the Contractor must be either a U.S. firm or U.S. individual; (b) the Contractor may use U.S. subcontractors without limitation, but the use of subcontractors from Host Country may not exceed twenty percent (20%) of the USTDA Grant amount and may only be used for specific services from the Terms of Reference identified in the subcontract; (c) employees of U.S. Contractor or U.S. subcontractor firms responsible for professional services shall be U.S. citizens or non-U.S. citizens lawfully admitted for permanent residence in the U.S.; (d) goods purchased for performance of the Study and associated delivery services (e.g., international transportation and insurance) must have their nationality, source and origin in the United States; and (e) goods and services incidental to Study support (e.g., local lodging, food, and transportation) in Host Country are not subject to the above restrictions. USTDA will make available further details concerning these provisions upon request.

Ym

CBH

4 *JMP*

12. Taxes

USTDA funds provided under the Grant Agreement shall not be used to pay any taxes, tariffs, duties, fees or other levies imposed under laws in effect in Host Country. Neither the Grantee nor the Contractor will seek reimbursement from USTDA for such taxes, tariffs, duties, fees or other levies.

13. Cooperation Between Parties and Follow-Up

The parties will cooperate to assure that the purposes of the Grant Agreement are accomplished. For five (5) years following receipt by USTDA of the Final Report (as defined in Clause I of Annex II), the Grantee agrees to respond to any reasonable inquiries from USTDA about the status or results of the Project, and upon receipt by the Grantee of the Final Report, will designate (by both title and organization) a point of contact for any such inquiries. In any case, such inquiries cannot be detail oriented information requests.

14. Implementation Letters

To assist the Grantee in the implementation of the Study, USTDA may, from time to time, issue implementation letters that will provide additional information about matters covered by the Grant Agreement. The parties may also use jointly agreed upon implementation letters to confirm and record their mutual understanding of matters covered by the Grant Agreement.

15. Recordkeeping and Audit

The Grantee agrees to maintain books, records, and other documents relating to the Study and the Grant Agreement adequate to demonstrate implementation of its responsibilities under the Grant Agreement, including the selection of contractors, receipt and approval of contract deliverables, and approval or disapproval of contractor invoices for payment by USTDA. Such books, records, and other documents relating to the Study and the Grant Agreement shall be separately maintained for three (3) years after the date of the final disbursement by USTDA. The Grantee shall afford USTDA or its authorized representatives the opportunity at reasonable times to review books, records, and other documents relating to the Study and the Grant Agreement.

JM

JMP
CBK

16. Representation of Parties

For all purposes relevant to the Grant Agreement, the Government of the United States of America will be represented by the U. S. Ambassador to Host Country or USTDA and Grantee will be represented by the CEO. The parties hereto may, by written notice, designate additional representatives for all purposes under the Grant Agreement.

17. Addresses of Record for Parties

Any notice, request, document, or other communication submitted by either party to the other under the Grant Agreement shall be in writing or through a wire or electronic medium which produces a tangible record of the transmission, such as a telegram, cable or facsimile, and will be deemed duly given or sent when delivered to such party at the following:

To: ŞAHİN YILDIRAN
Research and Development Manager
Başkent Elektrik Dağıtım A.Ş.
Başkent Plaza
Ehlibeyt Mahallesi Ceyhun Atuf
Kansu Cad. No: 106
06520 Balgat-Çankaya /Ankara

Tel: 0312 573 56 02
Fax: 0312 573 50 30

To: U.S. Trade and Development Agency
1000 Wilson Boulevard, Suite 1600
Arlington, Virginia 22209-3901
USA

Phone: (703) 875-4357
Fax: (703) 875-4009

All such communications shall be in English, unless the parties otherwise agree in writing. In addition, the Grantee shall provide the Commercial Section of the U.S. Embassy in Host Country with a copy of each communication sent to USTDA.

Any communication relating to this Grant Agreement shall include the following fiscal data:

Appropriation No.: 11 11/12 1001
Activity No.: 2011-21035A
Reservation No.: 2011291



Grant No.: GH 20112/291

18. Termination Clause

Either party may terminate the Grant Agreement by giving the other party thirty (30) days advance written notice. The termination of the Grant Agreement will end any obligations of the parties to provide financial or other resources for the Study, except for payments which they are committed to make by Grantee pursuant to noncancellable commitments entered into with third parties prior to the written notice of termination.

19. Non-waiver of Rights and Remedies

No delay in exercising any right or remedy accruing to either party in connection with the Grant Agreement shall be construed as a waiver of such right or remedy.

20. U.S. Technology and Equipment

By funding this Study, USTDA seeks to promote the Project objectives of the Host Country through the use of U.S. technology, goods, and services. In recognition of this purpose, the Grantee agrees that it will allow U.S. suppliers to compete in the procurement of technology, goods and services needed for Project implementation.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

A handwritten signature in black ink, appearing to be 'Jm' or similar, located in the lower right quadrant of the page.Handwritten initials 'Jm' and the number '7' are located at the bottom right of the page. To the right of these initials, the letters 'CBK' are written in a larger, more stylized font.

IN WITNESS WHEREOF, the Government of the United States of America and Başkent Elektrik Dağıtım Anonim Şirketi, each acting through its duly authorized representative, have caused this Agreement to be signed in the English language in their names and delivered as of the day and year written below. In the event that this Grant Agreement is signed in more than one language, the English language version shall govern.

**For the Government of the
United States of America**

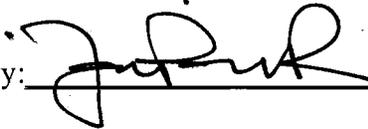
**For Başkent Elektrik Dağıtım
Anonim Şirketi**

By: 

Date: Sept. 16, 2011

By: 

Date: Sep 16, 2011

By: 

Date: Sep 16, 2011

Annex I -- Terms of Reference

Annex II -- USTDA Mandatory Clauses

Annex II

USTDA Mandatory Contract Clauses

A. USTDA Mandatory Clauses Controlling

The parties to this contract ("Contract") acknowledge that this contract is funded in whole or in part by the U.S. Trade and Development Agency ("USTDA") under the Grant Agreement between the Government of the United States of America acting through USTDA and Başkent Elektrik Dağıtım Anonim Şirketi ("Client"), dated _____ ("Grant Agreement") under which USTDA agrees to provide the Client US\$201,606 ("USTDA Grant") to fund the cost of goods and services required for a feasibility study ("Study") for the Smart Grid Applications in Power Distribution project ("Project") in Turkey ("Host Country") The Client has selected _____ ("Contractor") to perform the Study for the Project in the Host Country. Notwithstanding any other provisions of this Contract, the following USTDA mandatory contract clauses shall govern. All subcontracts entered into by Contractor funded or partially funded with USTDA Grant funds shall include these USTDA mandatory contract clauses, except for clauses B(1), G, H, I, and J. In addition, in the event of any inconsistency between the Grant Agreement and any contract or subcontract thereunder, the Grant Agreement shall prevail.

B. USTDA as Financier

(1) USTDA Approval of Contract

All contracts funded under the Grant Agreement, and any amendments thereto, including assignments and changes in the Terms of Reference, must be approved by USTDA in writing in order to be effective with respect to the expenditure of USTDA Grant funds. USTDA will not authorize the disbursement of USTDA Grant funds until the Contract has been formally approved by USTDA or until the Contract conforms to modifications required by USTDA during the contract review process.

(2) USTDA Not a Party to the Contract

It is understood by the parties that USTDA has reserved certain rights such as, but not limited to, the right to approve the terms of this Contract and amendments thereto, including assignments, the selection of all contractors, the Terms of Reference, the Final Report, and any and all documents related to any contract funded under the Grant Agreement. The parties hereto further understand and agree that USTDA, in reserving any or all of the foregoing approval rights, has acted solely as a financing entity to assure the proper use of United States Government funds, and that any decision by USTDA to exercise or refrain from exercising these approval rights shall be made as a financier in the course of financing the Study and shall not be construed as making USTDA a party to the Contract. The parties hereto understand and agree that USTDA may, from time to time, exercise the foregoing approval rights, or



discuss matters related to these rights and the Project with the parties to the Contract or any subcontract, jointly or separately, without thereby incurring any responsibility or liability to such parties. Any approval or failure to approve by USTDA shall not bar the Client or USTDA from asserting any right they might have against the Contractor, or relieve the Contractor of any liability which the Contractor might otherwise have to the Client or USTDA.

C. Nationality, Source and Origin

Except as USTDA may otherwise agree, the following provisions shall govern the delivery of goods and services funded by USTDA under the Grant Agreement: (a) for professional services, the Contractor must be either a U.S. firm or U.S. individual; (b) the Contractor may use U.S. subcontractors without limitation, but the use of subcontractors from Host Country may not exceed twenty percent (20%) of the USTDA Grant amount and may only be used for specific services from the Terms of Reference identified in the subcontract; (c) employees of U.S. Contractor or U.S. subcontractor firms responsible for professional services shall be U.S. citizens or non-U.S. citizens lawfully admitted for permanent residence in the U.S.; (d) goods purchased for performance of the Study and associated delivery services (e.g., international transportation and insurance) must have their nationality, source and origin in the United States; and (e) goods and services incidental to Study support (e.g., local lodging, food, and transportation) in Host Country are not subject to the above restrictions. USTDA will make available further details concerning these provisions upon request.

D. Recordkeeping and Audit

The Contractor and subcontractors funded under the Grant Agreement shall maintain, in accordance with generally accepted accounting procedures, books, records, and other documents, sufficient to reflect properly all transactions under or in connection with the Contract. These books, records, and other documents shall clearly identify and track the use and expenditure of USTDA funds, separately from other funding sources. Such books, records, and documents shall be maintained during the Contract term and for a period of three (3) years after final disbursement by USTDA. The Contractor and subcontractors shall afford USTDA, or its authorized representatives, the opportunity at reasonable times for inspection and audit of such books, records, and other documentation.

E. U.S. Carriers

(1) Air

Transportation by air of persons or property funded under the Grant Agreement shall be on U.S. flag carriers in accordance with the Fly America Act, 49 U.S.C. 40118, to the extent service by such carriers is available, as provided under applicable U.S. Government regulations.



CSG



(2) Marine

Transportation by sea of property funded under the Grant Agreement shall be on U.S. carriers in accordance with U.S. cargo preference law.

F. Workman's Compensation Insurance

The Contractor shall provide adequate Workman's Compensation Insurance coverage for work performed under this Contract.

G. Reporting Requirements

The Contractor shall advise USTDA by letter as to the status of the Project on March 1st annually for a period of two (2) years after completion of the Study. In addition, if at any time the Contractor receives follow-on work from the Client, the Contractor shall so notify USTDA and designate the Contractor's contact point including name, telephone, and fax number. Since this information may be made publicly available by USTDA, any information which is confidential shall be designated as such by the Contractor and provided separately to USTDA. USTDA will maintain the confidentiality of such information in accordance with applicable law.

H. Disbursement Procedures

(1) USTDA Approval of Contract

Disbursement of Grant funds will be made only after USTDA approval of this Contract. To make this review in a timely fashion, USTDA must receive from either the Client or the Contractor a photocopy of an English language version of a signed Contract or a final negotiated draft version to the attention of the General Counsel's office at USTDA's address listed in Clause M below.

(2) Payment Schedule Requirements

A payment schedule for disbursement of USTDA Grant funds to the Contractor shall be included in this Contract. Such payment schedule must conform to the following USTDA requirements: (1) up to twenty percent (20%) of the total USTDA Grant amount may be used as a mobilization payment; (2) all other payments, with the exception of the final payment, shall be based upon contract performance milestones; and (3) the final payment may be no less than fifteen percent (15%) of the total USTDA Grant amount, payable upon receipt by USTDA of an approved Final Report in accordance with the specifications and quantities set forth in Clause I below. Invoicing procedures for all payments are described below.

(3) Contractor Invoice Requirements

USTDA will make all disbursements of USTDA Grant funds directly to the Contractor. The Contractor must provide USTDA with an ACH Vendor Enrollment Form (available from USTDA) with the first invoice. The Client shall request disbursement of funds by USTDA to the Contractor for performance of the contract by submitting the following to USTDA:

(a) Contractor's Invoice

The Contractor's invoice shall include reference to an item listed in the Contract payment schedule, the requested payment amount, and an appropriate certification by the Contractor, as follows:

(i) For a mobilization payment (if any):

"As a condition for this mobilization payment, the Contractor certifies that it will perform all work in accordance with the terms of its Contract with the Client. To the extent that the Contractor does not comply with the terms and conditions of the Contract, including the USTDA mandatory provisions contained therein, it will, upon USTDA's request, make an appropriate refund to USTDA."

(ii) For Contract performance milestone payments:

"The Contractor has performed the work described in this invoice in accordance with the terms of its contract with the Client and is entitled to payment thereunder. To the extent the Contractor has not complied with the terms and conditions of the Contract, including the USTDA mandatory provisions contained therein, it will, upon USTDA's request, make an appropriate refund to USTDA."

(iii) For final payment:

"The Contractor has performed the work described in this invoice in accordance with the terms of its Contract with the Client and is entitled to payment thereunder. Specifically, the Contractor has submitted the Final Report to the Client, as required by the Contract, and received the Client's approval of the Final Report. To the extent the Contractor has not complied with the terms and conditions of the Contract, including the USTDA mandatory provisions contained therein, it will, upon USTDA's request, make an appropriate refund to USTDA."

(b) Client's Approval of the Contractor's Invoice

(i) The invoice for a mobilization payment must be approved in writing by the Client.

(ii) For Contract performance milestone payments, the following certification by the Client must be provided on the invoice or separately:

Ymu *CBK*
Dr

"The services for which disbursement is requested by the Contractor have been performed satisfactorily, in accordance with applicable Contract provisions and the terms and conditions of the USTDA Grant Agreement."

(iii) For final payment, the following certification by the Client must be provided on the invoice or separately:

"The services for which disbursement is requested by the Contractor have been performed satisfactorily, in accordance with applicable Contract provisions and terms and conditions of the USTDA Grant Agreement. The Final Report submitted by the Contractor has been reviewed and approved by the Client. "

(c) USTDA Address for Disbursement Requests

Requests for disbursement shall be submitted by courier or mail to the attention of the Finance Department at USTDA's address listed in Clause M below.

(4) Termination

In the event that the Contract is terminated prior to completion, the Contractor will be eligible, subject to USTDA approval, for reasonable and documented costs which have been incurred in performing the Terms of Reference prior to termination, as well as reasonable wind down expenses. Reimbursement for such costs shall not exceed the total amount of undisbursed USTDA Grant funds. Likewise, in the event of such termination, USTDA is entitled to receive from the Contractor all USTDA Grant funds previously disbursed to the Contractor (including but not limited to mobilization payments) which exceed the reasonable and documented costs incurred in performing the Terms of Reference prior to termination.

I. USTDA Final Report

(1) Definition

"Final Report" shall mean the Final Report described in the attached Annex I Terms of Reference or, if no such "Final Report" is described therein, "Final Report" shall mean a substantive and comprehensive report of work performed in accordance with the attached Annex I Terms of Reference, including any documents delivered to the Client.

(2) Final Report Submission Requirements

The Contractor shall provide the following to USTDA:

(a) One (1) complete version of the Final Report for USTDA's records. This version shall have been approved by the Client in writing and must be in the English language. It is the responsibility of the Contractor to ensure that

JM
MP
C3K
Annex II-5

confidential information, if any, contained in this version be clearly marked. USTDA will maintain the confidentiality of such information in accordance with applicable law.

and

(b) One (1) copy of the Final Report suitable for public distribution ("Public Version"). The Public Version shall have been approved by the Client in writing and must be in the English language. As this version will be available for public distribution, it must not contain any confidential information. If the report in (a) above contains no confidential information, it may be used as the Public Version. In any event, the Public Version must be informative and contain sufficient Project detail to be useful to prospective equipment and service providers.

and

(c) Two (2) CD-ROMs, each containing a complete copy of the Public Version of the Final Report. The electronic files on the CD-ROMs shall be submitted in a commonly accessible read-only format. As these CD-ROMs will be available for public distribution, they must not contain any confidential information. It is the responsibility of the Contractor to ensure that no confidential information is contained on the CD-ROMs.

The Contractor shall also provide one (1) copy of the Public Version of the Final Report to the Foreign Commercial Service Officer or the Economic Section of the U.S. Embassy in Host Country for informational purposes.

(3) Final Report Presentation

All Final Reports submitted to USTDA must be paginated and include the following:

(a) The front cover of every Final Report shall contain the name of the Client, the name of the Contractor who prepared the report, a report title, USTDA's logo, USTDA's mailing and delivery addresses. If the complete version of the Final Report contains confidential information, the Contractor shall be responsible for labeling the front cover of that version of the Final Report with the term "Confidential Version." The Contractor shall be responsible for labeling the front cover of the Public Version of the Final Report with the term "Public Version." The front cover of every Final Report shall also contain the following disclaimer:

"This report was funded by the U.S. Trade and Development Agency (USTDA), an agency of the U. S. Government. The opinions, findings, conclusions or recommendations expressed in this document are those of the author(s) and do not necessarily represent the official position or policies of USTDA. USTDA makes no representation about, nor does it accept responsibility for, the accuracy or completeness of the information contained in this report."

confidential information, if any, contained in this version be clearly marked. USTDA will maintain the confidentiality of such information in accordance with applicable law.

and

(b) One (1) copy of the Final Report suitable for public distribution ("Public Version"). The Public Version shall have been approved by the Client in writing and must be in the English language. As this version will be available for public distribution, it must not contain any confidential information. If the report in (a) above contains no confidential information, it may be used as the Public Version. In any event, the Public Version must be informative and contain sufficient Project detail to be useful to prospective equipment and service providers.

and

(c) Two (2) CD-ROMs, each containing a complete copy of the Public Version of the Final Report. The electronic files on the CD-ROMs shall be submitted in a commonly accessible read-only format. As these CD-ROMs will be available for public distribution, they must not contain any confidential information. It is the responsibility of the Contractor to ensure that no confidential information is contained on the CD-ROMs.

The Contractor shall also provide one (1) copy of the Public Version of the Final Report to the Foreign Commercial Service Officer or the Economic Section of the U.S. Embassy in Host Country for informational purposes.

(3) Final Report Presentation

All Final Reports submitted to USTDA must be paginated and include the following:

(a) The front cover of every Final Report shall contain the name of the Client, the name of the Contractor who prepared the report, a report title, USTDA's logo, USTDA's mailing and delivery addresses. If the complete version of the Final Report contains confidential information, the Contractor shall be responsible for labeling the front cover of that version of the Final Report with the term "Confidential Version." The Contractor shall be responsible for labeling the front cover of the Public Version of the Final Report with the term "Public Version." The front cover of every Final Report shall also contain the following disclaimer:

"This report was funded by the U.S. Trade and Development Agency (USTDA), an agency of the U. S. Government. The opinions, findings, conclusions or recommendations expressed in this document are those of the author(s) and do not necessarily represent the official position or policies of USTDA. USTDA makes no representation about, nor does it accept responsibility for, the accuracy or completeness of the information contained in this report."

Ym *CSK*
of

(b) The inside front cover of every Final Report shall contain USTDA's logo, USTDA's mailing and delivery addresses, and USTDA's mission statement. Camera-ready copy of USTDA Final Report specifications will be available from USTDA upon request.

(c) The Contractor shall affix to the front of the CD-ROM a label identifying the Host Country, USTDA Activity Number, the name of the Client, the name of the Contractor who prepared the report, a report title, and the following language:

“The Contractor certifies that this CD-ROM contains the Public Version of the Final Report and that all contents are suitable for public distribution.”

(d) The Contractor and any subcontractors that perform work pursuant to the Grant Agreement must be clearly identified in the Final Report. Business name, point of contact, address, telephone and fax numbers shall be included for Contractor and each subcontractor.

(e) The Final Report, while aiming at optimum specifications and characteristics for the Project, shall identify the availability of prospective U.S. sources of supply. Business name, point of contact, address, telephone and fax numbers shall be included for each commercial source.

(f) The Final Report shall be accompanied by a letter or other notation by the Client which states that the Client approves the Final Report. A certification by the Client to this effect provided on or with the invoice for final payment will meet this requirement.

J. Modifications

All changes, modifications, assignments or amendments to this Contract, including the appendices, shall be made only by written agreement by the parties hereto, subject to written USTDA approval.

K. Study Schedule

(1) Study Completion Date

The completion date for the Study, which is June 10, 2012, is the date by which the parties estimate that the Study will have been completed. The parties agree and acknowledge that the Client shall have right to postpone such date in case the Project is not finalized until the agreed date.

(2) Time Limitation on Disbursement of USTDA Grant Funds

Except as USTDA may otherwise agree, (a) no USTDA funds may be disbursed under this Contract for goods and services which are provided prior to the Effective Date of the Grant Agreement; and (b) all funds made available under the Grant Agreement must be disbursed within four (4) years from the Effective Date of the Grant Agreement.

L. Business Practices

The Contractor agrees not to pay, promise to pay, or authorize the payment of any money or anything of value, directly or indirectly, to any person (whether a governmental official or private individual) for the purpose of illegally or improperly inducing anyone to take any action favorable to any party in connection with the Study. The Client agrees not to receive any such payment. The Contractor and the Client agree that each will require that any agent or representative hired to represent them in connection with the Study will comply with this paragraph and all laws which apply to activities and obligations of each party under this Contract, including but not limited to those laws and obligations dealing with improper payments as described above.

M. USTDA Address and Fiscal Data

Any communication with USTDA regarding this Contract shall be sent to the following address and include the fiscal data listed below:

U.S. Trade and Development Agency
1000 Wilson Boulevard, Suite 1600
Arlington, Virginia 22209-3901
USA

Phone: (703) 875-4357
Fax: (703) 875-4009

Fiscal Data:

Appropriation No.: 11 11/12 1001
Activity No.: 2011-21035A
Reservation No.: 2011291
Grant No.: GH 20112/291

N. Definitions

All capitalized terms not otherwise defined herein shall have the meaning set forth in the Grant Agreement.



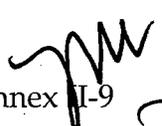
CBK



O. Taxes

USTDA funds provided under the Grant Agreement shall not be used to pay any taxes, tariffs, duties, fees or other levies imposed under laws in effect in Host Country. Neither the Client nor the Contractor will seek reimbursement from USTDA for such taxes, tariffs, duties, fees or other levies.

(2/28/08 version)

Annex II-9  


ANNEX 5

Annex I

Terms of Reference

FEASIBILITY STUDY OF SMART GRID APPLICATIONS IN POWER DISTRIBUTION

Background

This Feasibility Study (Study) will analyze how Başkent Elektrik Anonim Şirketi (“Grantee” can integrate its supervisory control and data acquisition (“SCADA”) systems with their current and planned information technology (“IT”) systems.

In 1993, in view of Turkey's market liberalization and privatization, Turkey's integrated electricity utility, TEK, was separated into TEİAŞ (generation, transmission and wholesale) and TEDAŞ (distribution). TEDAŞ was shifted to the “privatization program” of the Privatization Administration in April 2004 and was restructured into 20 regional companies in 2005 that operate the system under transfer of operating rights contracts. TEİAŞ remains a government agency. Grantee is one of the privatized distribution companies.

Grantee's service territory covers the capital city Ankara and six other regions: Kırıkkale, Zonguldak, Bartın, Karabük, Çankırı, and Kastamonu. The territory includes 3,075,800 customers and around 7 million people.

This Study will assist the Grantee to assess how its SCADA systems can be integrated with its current and planned IT systems, including its geographic information system (“GIS”), Workforce Management System, Customer Information System, Call Center and SAP systems. This Study will include a gap analysis, strategy proposal, estimate of investment needed and integration needs.

The Grantee shall provide the Contractor with any requested information about the Başkent system that is required for the analyses carried out in the Study.

Task 1: Purpose and Scope of the Study

The Contractor shall complete the following tasks:

- (a) Identify and describe objectives to be served by incorporating the Grantee’s existing and new IT Systems into a Smart Grid system.
- (b) Write a detailed purpose of Study to ensure the Grantee’s needs are fully addressed.
- (c) Write a road map including the activities, objectives and deliverables for the Study.

Task 1 Deliverable: The Contractor shall prepare a Task 1 report showing the results of (a) through (c) above.

Task 2: Technical Analysis

The Contractor shall complete the following tasks:

Task 2.1 : Gap Analysis

(a) Prepare a gap analysis of all factors and issues that stand between the present state of the Grantee's IT Systems and the deployment of a Smart Grid solution. The factors and issues covered in the gap analysis shall include, but not be limited to the following:

(i) Identify and analyze all system integration points via interviews and workshops with related responsible personnel within the Grantee;

- Determine whether present systems allow for integration strategies
- Determine the type and quantity of integration required

(ii) Analyze needed SCADA solutions

- Determine if existing SCADA systems are connected to the Grantee's other systems

(iii) Identify and analyze existing business processes related with the systems and determine requirements to be met

(iv) Infrastructure (software and hardware) assessment – analyze existing infrastructure and determine requirements to be met

(v) Based on the results of (i) through (iv) above, prepare a gap analysis for each interconnection point in the Grantee's system.

Task 2.2: Technical Design and Recommendations

(i) Based on the above gap analysis, the Contractor shall develop a set of detailed written recommendations to the Grantee that adhere to industry practices, that would integrate the Grantee's IT Systems with a state of the art Smart Grid system.

The Contractor's recommendations shall include, but shall not be limited to, the following:

- Definition of a common data model.
- Definition of information models that may be applicable for the Grantee's systems and seamless use of the model.
- Definition of information exchange methods with details comprising encoding of the information (binary, ASCII etc.).
- Definition of standard software integration steps and mapping rules.

Handwritten initials and marks:
A large stylized signature or mark is present above the page number.
The number "134" is handwritten in the top right corner.
The initials "JMP" are handwritten in the bottom right corner.

- Definition of different architectural designs for software integration with relational tables in order to make comparison and choose the most appropriate one for the Grantee.

(ii) Demonstration of the solutions – prepare case studies of best practices from the U.S. and elsewhere to demonstrate how the integrated IT systems will work as a Smart Grid solution.

Task 2 Deliverable: The Contractor shall prepare a report integrating the results of Task 2.2 and 2.3.

Task 3: Economic Analysis

Task 3.1: Demand Analysis

The Contractor shall acquire and compile historical and projected energy and capacity information in Turkey for use in assessing the demand for Smart Grid applications in the Grantee's service territory.

Task 3.2: Capital Cost Estimate:

After completion of Task 2, the Contractor shall prepare a preliminary estimate of the cost for the integration project. The Contractor shall provide a capital cost estimate with a detailed breakdown of the costs that will be incurred to bring the project to successful commissioning including:

- A factored capital cost estimate, prepared in a format such as one derived from the Electric Power Research Institute (EPRI) Technical Assessment Guide (TAG).
- A factored operating cost estimate.

Task 3.3: Project Operating and Maintenance Expenses:

The Contractor shall provide an estimate of projected operating expenses including a detailed breakdown of the general, administrative, operating, and maintenance costs for the project.

Escalation of the expenses over a two- (2) to five- (5) year period will be taken into consideration depending on the nature of the expenses and the point in the life of the project at which they are incurred.

Task 3.4: Projected Savings:

The Contractor shall estimate the projected savings due to the Smart Grid applications.

Task 3.5: Cash Balance *Pro Forma*:



The Contractor shall develop a cash balance *pro forma* that presents the net cash savings from the Project, determined by netting revenue against expenses. Expenses will include the administrative, operation, and maintenance expenses as well as debt service.

Task 3 Deliverable: See Task 4 Deliverable.

Task 4: Financial Analysis

Task 4.1: Financial Model and Analysis

The Contractor shall prepare a financial analysis and model of the Project, considering alternative methods and sources of financing, including grants and concessionary financing, equity, and debt. The financial model will be a tool for defining the terms and conditions of the financing structure and testing the volatility of the project's ability to service its debt. Assuming a reasonable debt-equity structure, or a range of debt-equity structures, the Contractor shall calculate the internal rate of return (or rates of return) to the Grantee. Following discussion with the Grantee, an optimum, minimum, and most likely economic/financial scenario shall be selected by the Contractor to develop financial documentation that may be used by the Grantee for presentation to the Grantee's financial officials. This documentation shall be included in the Final Report.

Task 4.2: Project Risk Analysis

The Contractor shall identify project risk factors and develop a risk avoidance/reduction plan for each factor adequate to the requirements of the funding sources, including Host Country sources, multilateral financiers, and others.

Task 4.3: Sources of Finance

The Contractor shall identify potential funding sources for the Smart Grid applications, such as public and private Turkish banks, the World Bank, and the European Bank for Reconstruction and Development.

Task 4 Deliverable: The Contractor shall prepare a report integrating Task 3 and 4 subtasks.

Task 5: Initial Environmental Analysis

The Contractor shall evaluate and report on the potential environmental impacts of the Project with reference to local, national and international laws and regulations, including those of international finance institutions, such as the World Bank, the European Bank for Reconstruction and Development and private banks.

Task 5 Deliverable: The Contractor shall prepare a report integrating the results of Task 5.

Task 6: Regulatory Analysis



C94

RP

The Contractor shall analyze all regulatory issues that may impact the Smart Grid's development. The analysis shall include any pertinent documents that deal with import taxes, duties and fees, corporate and personal income taxes, and property and other taxes related to the implementation of the project.

Task 6 Deliverable: The Contractor shall prepare a report integrating the results of Task 6.

Task 7: Development Impact

The Contractor shall analyze and report on the potential development impact of the Smart Grid applications. The Contractor shall focus on what the economic development outcomes will be if the Project is implemented according to the recommendations of the Study. While specific focus should be paid to the immediate impact of the Project, the Contractor shall include any additional developmental benefits resulting from the Project, including spin-off and demonstration effects. The Contractor shall develop a methodology for assessing these impacts over time, and shall identify where to obtain this information in the future. Sources may include Türkiye Kömür İşletmeleri Kurumu, Government of Turkey, and the U.S. Embassy in Ankara. Specifically, the Contractor shall provide estimates of the project's benefits in the areas of:

- Infrastructure
- Market-oriented reforms;
- Human capacity building;
- Technology transfer and productivity enhancement;
- Any other benefits that may result from the project.

Task 7 Deliverable: The Contractor shall prepare a report integrating the results of Task 7.

Task 8: Export Potential--U.S. Sources of Supply

The Contractor shall determine U.S. export potential related to the implementation of the Project. The Contractor shall tabulate goods and services available from U.S. sources including estimated values and shall list U.S. companies capable of delivering such goods and services.

Task 8 Deliverable: The Contractor shall prepare a report integrating the results of Task 8.

Task 9: Five-Year Implementation Plan and Budget

The Contractor shall develop a detailed 5-year plan and budget based on the final agreed-upon upgrades recommended by the Contractor and adopted by the Grantee. The plan shall provide the Grantee with a detailed description of the gaps and options to mitigate

YU
Annex I-5

C94
JRP

each of them coupled with a cost/benefit breakdown for each option. The plan shall include but not be limited to the following:

- (i) Scope of work
- (ii) Cost/benefit analysis
- (iii) Technical and training needed to implement each change
- (iv) An overall change management plan to implement upgrades

The Contractor shall conduct a workshop with the Grantee in Turkey to discuss the final solution alternatives developed in the 5-year plan and budget.

Task 9 Deliverable: The Contractor shall prepare a report integrating the results of Task 9.

Task 10: Final Report

The Contractor shall prepare and deliver to the Grantee and USTDA a substantive and comprehensive final report of all work performed under these Terms of Reference ("Final Report"). The Final Report shall be organized according to the above tasks, and shall include all deliverables and documents that have been provided to the Grantee. The Final Report shall contain an executive summary. The Final Report shall be prepared in accordance with Clause I of Annex II of the Grant Agreement.

Notes:

- (1) The Contractor is responsible for compliance with U.S. export licensing requirements, if applicable, in the performance of the Terms of Reference.
- (2) The Contractor and the Grantee shall be careful to ensure that the public version of the Final Report contains no security or confidential information.
- (3) The Grantee and USTDA shall have an irrevocable, worldwide, royalty-free, non-exclusive right to use and distribute the Final Report and all work products that are developed under these Terms of Reference. USTDA will maintain the confidentiality of information designated by the Contractor to be confidential in accordance with applicable law.



CBK
MB

ANNEX 6

COMPANY INFORMATION

A. Company Profile

Provide the information listed below relative to the Offeror's firm. If the Offeror is proposing to subcontract some of the proposed work to another firm(s), the information requested in sections E and F below must be provided for each subcontractor.

1. Name of firm and business address (street address only), including telephone and fax numbers:

2. Year established (include predecessor companies and year(s) established, if appropriate).

3. Type of ownership (e.g. public, private or closely held).

4. If private or closely held company, provide list of shareholders and the percentage of their ownership.

5. List of directors and principal officers (President, Chief Executive Officer, Vice-President(s), Secretary and Treasurer; provide full names including first, middle and last). Please place an asterisk (*) next to the names of those principal officers who will be involved in the Feasibility Study.

6. If Offeror is a subsidiary, indicate if Offeror is a wholly-owned or partially-owned subsidiary. Provide the information requested in items 1 through 5 above for the Offeror's parent(s).

7. Project Manager's name, address, telephone number, e-mail address and fax number .

B. Offeror's Authorized Negotiator

Provide name, title, address, telephone number, e-mail address and fax number of the Offeror's authorized negotiator. The person cited shall be empowered to make binding commitments for the Offeror and its subcontractors, if any.

C. Negotiation Prerequisites

1. Discuss any current or anticipated commitments which may impact the ability of the Offeror or its subcontractors to complete the Feasibility Study as proposed and reflect such impact within the project schedule.

2. Identify any specific information which is needed from the Grantee before commencing contract negotiations.

D. Offeror's Representations

Please provide exceptions and/or explanations in the event that any of the following representations cannot be made:

1. Offeror is a corporation [*insert applicable type of entity if not a corporation*] duly organized, validly existing and in good standing under the laws of the State of _____. The Offeror has all the requisite corporate power and authority to conduct its business as presently conducted, to submit this proposal, and if selected, to execute and deliver a contract to the Grantee for the performance of the Feasibility Study. The Offeror is not debarred, suspended, or to the best of its knowledge or belief, proposed for debarment, or ineligible for the award of contracts by any federal or state governmental agency or authority.
2. The Offeror has included, with this proposal, a certified copy of its Articles of Incorporation, and a certificate of good standing issued within one month of the date

of its proposal by the State of _____. The Offeror commits to notify USTDA and the Grantee if they become aware of any change in their status in the state in which they are incorporated. USTDA retains the right to request an updated certificate of good standing.

3. Neither the Offeror nor any of its principal officers have, within the three-year period preceding this RFP, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a federal, state or local government contract or subcontract; violation of federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating federal or state criminal tax laws, or receiving stolen property.
4. Neither the Offeror, nor any of its principal officers, is presently indicted for, or otherwise criminally or civilly charged with, commission of any of the offenses enumerated in paragraph 3 above.
5. There are no federal or state tax liens pending against the assets, property or business of the Offeror. The Offeror, has not, within the three-year period preceding this RFP, been notified of any delinquent federal or state taxes in an amount that exceeds \$3,000 for which the liability remains unsatisfied. Taxes are considered delinquent if (a) the tax liability has been fully determined, with no pending administrative or judicial appeals; and (b) a taxpayer has failed to pay the tax liability when full payment is due and required.
6. The Offeror has not commenced a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law. The Offeror has not had filed against it an involuntary petition under any bankruptcy, insolvency or similar law.

The selected Offeror shall notify the Grantee and USTDA if any of the representations included in its proposal are no longer true and correct at the time of its entry into a contract with the Grantee.

Signed: _____
(Authorized Representative)

Print Name: _____

Title: _____

Date: _____

E. Subcontractor Profile

1. Name of firm and business address (street address only), including telephone and fax numbers.

2. Year established (include predecessor companies and year(s) established, if appropriate).

F. Subcontractor's Representations

If any of the following representations cannot be made, or if there are exceptions, the subcontractor must provide an explanation.

1. Subcontractor is a corporation [*insert applicable type of entity if not a corporation*] duly organized, validly existing and in good standing under the laws of the State of _____. The subcontractor has all the requisite corporate power and authority to conduct its business as presently conducted, to participate in this proposal, and if the Offeror is selected, to execute and deliver a subcontract to the Offeror for the performance of the Feasibility Study and to perform the Feasibility Study. The subcontractor is not debarred, suspended, or to the best of its knowledge or belief, proposed for debarment or ineligible for the award of contracts by any federal or state governmental agency or authority.

2. Neither the subcontractor nor any of its principal officers have, within the three-year period preceding this RFP, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a federal, state or local government contract or subcontract; violation of federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating federal or state criminal tax laws, or receiving stolen property.

3. Neither the subcontractor, nor any of its principal officers, is presently indicted for, or otherwise criminally or civilly charged with, commission of any of the offenses enumerated in paragraph 2 above.
4. There are no federal or state tax liens pending against the assets, property or business of the subcontractor. The subcontractor, has not, within the three-year period preceding this RFP, been notified of any delinquent federal or state taxes in an amount that exceeds \$3,000 for which the liability remains unsatisfied. Taxes are considered delinquent if (a) the tax liability has been fully determined, with no pending administrative or judicial appeals; and (b) a taxpayer has failed to pay the tax liability when full payment is due and required.
5. The subcontractor has not commenced a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law. The subcontractor has not had filed against it an involuntary petition under any bankruptcy, insolvency or similar law.

The selected subcontractor shall notify the Offeror, Grantee and USTDA if any of the representations included in this proposal are no longer true and correct at the time of the Offeror's entry into a contract with the Grantee.

Signed: _____
(Authorized Representative)

Print Name: _____

Title: _____

Date: _____