



November 24, 2013

**Tender No. 6/2013**

**Clarifications and Answers**

**1. Clarification from the tender committee :**

**Section 3.1 is part of chapter 2 and should be indexed as 2.3**

2. **Q:** Regarding Clause 3.3 (Provision of Services) from the Service Agreement. This Clause states that changes of license price in subsequent years shall not exceed cost of living adjustments to the first year license price. Since our company operates in Europe please specify if the CPI should apply for Europe or Israel?

**A:** Consumer price index in USA that publish on:

<http://data.bls.gov/cgi-bin/surveymost?bls> Code: CPI for All Urban Consumers (CPI-U) 1982-84=100 (Unadjusted) - CUUR0000SA0.

**3. Appendix B. Technical Specifications**

**2.1 Capability:**

**Q:** What is meant by the "startup probability" under the Monte Carlo question?

**A:** It is the probability that the plant is shutdown.

**Q:** Also in the instructions it says mark if "fully supported". But for this Monte Carlo question there are actually eight items to support. If we support seven out of eight are we still supposed to mark "not supported"?

**A:** If an item is not supported indicate it as a comment to the specific question.

**Q:** With reference to Q12 “Effect of weather on gas turbine and combined cycle operation” and other references on weather, we convert weather impact to electrical system impact in terms of MW, MWh, and voltage, etc. Is this consistent with what the PUA requirements?

**A:** The ambient temperature affects both Maximum power rating and heat rate at various loads. We wish to enter as input, in a data set, Capacity and heat rate as a function of ambient temperature.

## 2.2 Long range Simulation model:

**Q:** With reference to Q5: Need clarification on “dependencies between prices and changes in resource schedules”.

**A:** This pertains to option such as example, the effect of effluent prices on plant scheduling.

## 2.3 Supply Resource:

**Q:** With reference to Q2: What is meant by "Built-in-characteristics of the generation technology"?

**A:** This pertains to information on whether the model contains built in database of different types of power plants. Data such as Heat rate as function of fuel type (Gas or oil), emission factors, costs, etc. This is useful for Long range planning.

## 2.4 System:

**Q:** With reference to Q1: What specific information is required under "Computational method"?

**A:** These are for example, Software language, system database, data sets, Graphics, approximations, interaction among subprograms, uncertainty, discrete variables etc.

## 3. Agreement

**Q:** Do both Appendix C (Non-Disclosure Agreement) and Appendix D (Absence of Conflict of Interests) to the Agreement, which are to be signed by each of the proposed Team Members, need to be submitted with the proposal? Or only the winning bidder is required to submit such signed forms after contract award?

**A:** Both Appendix C and Appendix D to the Agreement need to be submitted with the proposal.

**Q:** Can we modify the Agreement template to include terms from our standard software license agreement of the proposed software package, such as ownership and confidentiality of the software package?

**A:** Yes, under the approval of the PUA legal department.

4. **Q:** At the Introduction, regarding “Electric production software – with some ability to be modified”. Does that refer to flexibility in the interface for PUA to modify? Or to development services provided by the vendor to add needed customizations? Please elaborate on the expectation and need here.

**A:** We need to be able to have flexibility in the interface for easy input as part of the package. Also we need the availability of the vendor to provide consulting service for any customization we may desire

5. **Q:** Regarding the section “Remuneration for the work shall be give as follows: 40% with the full and successful installation at the PUA of the required stations, 30% after the approval of the system by the PUA and the remainder (30%) after the training and final implementation stage at the PUA.”:

- Can you please elaborate on what “approval of the system by the PUA” will consist of? And how long of a time period is PUA expecting for that to occur?
- Can you please elaborate PUA’s acceptance criteria for the “final implementation stage” before the final 30% may be paid.

**A:** - “approval of the system by the PUA” means that the package is properly running,. It is desirable that vendor provides a base case that will run and serves to verify the installation (approximately 30 days after the first payment).

- The “final implementation stage” would be paid after the training stage. If the PUA will not purchase the training, the “final implementation stage” will be two weeks after the second payment (approval of the system).

6. **Q:** How are other attributes of software models like execution speed and ease of use and user productivity being weighed in the evaluation?”

**A:** Under the "Quality of optimization model" and "System"

7. **Q:** How are important attributes of support like average responsiveness and quality of support resolution?

**A:** This is also part of the “System” qualifications/

8. Short range operation simulation

**Q:** What are the auxiliary services the PUA has in mind when it states "[s]imulate all optimized auxiliary services"?

**A:** Frequency Regulation, spinning reserve, contingency reserve etc.

9. Simulation of Long range Capacity Expansion

**Q:** What is meant by "[t]he transmission model is incorporated in the optimization scheme"? Does a simplified zonal topology with transfer limits specified between the zones meet this requirement?

**A:** A simplified zonal topology with transfer limits will be compared to other schemes of integration of generation and transmission.

10. **Q:** Can the PUA clarify what “objective function[s]” it has in mind when it states “[a]bility for different “objective function” in the optimization model”?

**A:** A common objective function is the present value of all costs of a multiyear plan. We may desire to change the “objective function” to express for example just the investments in new generation in the multiyear plan. Hopefully, we would be able to utilize the constraints provision in a model for such goal.

11. **Q:** At the end of every page of the tender states “Initials of the service provider”, is it part of the requirements to return the tender document with initials?

**A:** Yes it is part of the requirements to return the tender document with initials.

12. **Q:** Can the bidder modify the terms and conditions of the contractual agreement template? As the proposed software package is an off-shelf commercial product

which contains confidential and proprietary information of the Supplier, The software model, data, methodology and accompanying documents will remain the property of the Supplier and needs the same level of protection as the Professional Secrets. PUA can't claim ownership to such Information. It is critical for us to modify the contract language to protect our proprietary product?

**A:** The bidder may indicate, in a separate document, the modification he desires in the agreement template. See also section 3 above.

13. **Q:** Does PUA expect narrative description of the technical capabilities of the proposed software package in Appendix B or only marking on “supported” or “not supported” is required?

**A:** A narrative description, beyond “supported” or “not supported” entry, can enhance the ability of the PUA to clarify and evaluate the technical capabilities and the merit of bidders proposal.

14. **Q:** Is USD the designated currency for the quotation?

**A:** The price quote is the USD currency.

15. **Q:** What time period should the quotation for Item A (A fixed fee for one user including an annual license, optimization software, installation, support and maintenance) and Item B (Price for additional license) cover? Is it for 5 years or for the first year?

**A:** For an annual license price quote, please quote for the first year. Nevertheless, the PUA desires to secure the option of the license for additional four years.

16. **Q:** Is PUA looking for annual license option or a perpetual license for the software package?

**A:** The PUA desires to receive quote for an annual license.