

### Clarifications 4

No.	Clarification Date	RFP document reference & section number	Original wording or issue for which clarification is sought	Bidder's clarification request	GOGC Response
1	01.08.2023			As Resolution N14 indicates, Third Party Financing is excluded from RAB, could you further clarify what is included in the category of Third Party Financing, or could you kindly provide one example of Third Party Financing?	Examples of Third Party Financing are: •Government Subsidies •Grant Money •Assets that are already paid for by consumers •Land or other assets given to the company by the Central or Municipal governments at symbolic price Assets financed by these types of sources should not be paid by customers via tariffs
2				Referring to No. 12 of Clarification - 3, GOGC's response is not possible for new SPV to bid. However, if the winning bidder, in consideration of tax planning, wishes to establish one or several intermediate holding companies in other regions, is it acceptable?	After the SPA agreement is entered into force, then the Purchaser will be 100% shareholder of Gardabani 3 TPP LLC, which will actually be project implementing company - SPV, therefore please clarify your question and provide information of the role of a newly established one or several intermediate holding companies in other regions.
3					Shall the proposed CAPEX and CAPEX/MW include or exclude Value-Added Taxes incurred for construction?
4	03.08.2023	5. Evaluation of Proposals Section 2	5.1. The selection/evaluation of the Proposals shall be performed by the evaluation panel constituted by GOGC.	In what time will GOGC (the seller) determine the winner of the auction and send the invitation to negotiate to the selected participant?	Per the RFP Documentation there is no certain timeframe set for the selection of a winning bidder by the Evaluation Panel. The deadline for submission of Proposals is <b>31 October, 2023</b> and Participants' Proposals shall remain valid for <b>180 Days</b> after the submission deadline. Therefore, GOGC and Evaluation Panel will use its best effort to finalize the selection process and the signature of the SPA agreement well in advance before the Participants' Proposals expire. However Under paragraph 1.4 of Section 2 (Instructions) of the RFP Documentation, should the need arise, GOGC may request not less than 10 (ten) business days before the expiration dates of validity of Proposals that Participants extend the validity of their Proposals, however, Participants shall not be obligated to extend the validity of their Proposals. Clearly, the wording of paragraph 1.4 of Section 2 (Instructions) of the RFP Documentation shall NOT be construed in any manner as an obligation of Participants to extend the validity of their Proposals. Accordingly, GOGC shall NOT be entitled to make Participants to necessarily extend the validity of their Proposals.
5		6. Negotiations for the Contract Section 2	6. Negotiations for the Contract	Is it possible to make it obligatory to sign SPA and Project agreement simultaneously?  If not, in what timeframe will the Project agreement be signed after the signature of SPA?"	According to the RFP Documentation signature of the SPA agreement and execution of the Project agreement do <b>NOT</b> take place simultaneously. After the SPA agreement is entered into force, then the Purchaser shall be required to commence a PPP procedure according to applicable legislation of Georgia and sign the Project Agreement within such framework. However, the RFP Documentation does <b>NOT</b> set a certain timeframe for execution of the Project Agreement. Furthermore, it is <b>NOT</b> possible to define such a timeframe as PPP legislation does <b>NOT</b> set time limits for PPP procedures.
6		1. Introduction Section 2	1.4. Participants' Proposals shall remain valid for 180 Days after the submission deadline. GOGC will make its best effort to complete contract negotiations within this period. However, should the need arise, GOGC may request not less than 10 (ten) business days before the expiration dates of validity of Proposals that Participants extend the validity of their Proposals. Participants shall not be obligated to extend the validity of their Proposals.	In case GOGC requests to extend 180 days validity of selected participants' proposal according to clause 1.4 of RFP Section 2 and it is not possible to prolong it with the same terms, would the participant be able to present reasonably adjusted proposal (e.g. caused by ending validity of EPC contractor's offer)?  If this is not possible and the delay in process of selecting a participant and/or finalizing the negotiations and the beginning of implementation process is caused by the seller, what ensures selected participants' capital expenditures made (e.g. 2.45 mln USD payable due to SPA) during aforementioned period?  According to Clause 1.4 of RFP Section 2, participants shall not be obligated to extend the validity of their Proposals. In such case what will the legal consequences be?	1. If it is not possible for a Participant to prolong validity of its Proposal with the same terms, the Participant shall <b>NOT</b> be able to present an adjusted Proposal. 2. Insofar as the RFP Documentation does <b>NOT</b> set a certain timeframe for the selection of a winning bidder and the finalization of the signature of the SPA agreement, it is <b>NOT</b> relevant to consider any "delay in process of selecting a participant and/or finalizing the negotiations and the beginning of implementation process". Also 2.45 mln USD is price of Shares of Gardabani 3 TPP LLC and it shall be paid after the signing of SPA. The GOGC shall NOT be responsible in any manner in case of extension of validity of Participants' Proposals if needed. 3. Under paragraph 1.4 of Section 2 (Instructions) of the RFP Documentation, should the need arise, GOGC may request not less than 10 (ten) business days before the expiration dates of validity of Proposals that Participants extend the validity of their Proposals, however, Participants shall not be obligated to extend the validity of their Proposals. Clearly, the wording of paragraph 1.4 of Section 2 (Instructions) of the RFP Documentation shall <b>NOT</b> be construed in any manner as an obligation of Participants to extend the validity of their Proposals. Accordingly, GOGC shall <b>NOT</b> be entitled to make Participants to necessarily extend the validity of their Proposals.
7		1. Introduction Section 2	1.4.	Generally, please clarify each stage to be completed by the parties in 180 days timeframe after the submission deadline.	In this 180 days timeframe submitted proposals will be evaluated against criteria's set by RFP documentation, once this process is completed the selected bidder will be invited for contract negotiation process to finalize the RFP procedures and sign the SPA.
8		Form of Contract Section 5 8 (K) Annex 2 Part 2	8. (k) Contracts The subsisting high-importance contracts to which the Company is a party are set out in Annex 2 to this Agreement Annex 2 PART 2 NON-MATERIAL ASSETS	In relation to the material and non-material assets of the Company, please provide us with the following essential agreements: (1) the gas transportation agreement dated December 24, 2020, and (2) the electricity transmission network connection agreement dated January 6, 2021. The bidder is buying the Company and it must be familiar with these agreements prior to submitting the bid.	Please note that the mentioned agreements may <b>ONLY</b> be disclosed to the selected bidder at the Contract negotiations stage.
9	07.08.2023		Referring to the Clarification - 3, No. 6, "GSE shall only ensure arrangement of the line bays in their territory. As regards to construction of the transmission line from the substation to switchyard, it should be constructed by developer, not GSE. Also, in case of over head line, it should be single circuit, and in case of underground cable, it should be single circuit + additional phase as reservation. Also, HV transformers should have additional phase as reservation. For more clarity, in case of underground cable - the connection cost may be increased to about 4.7 mln USD and in case of over head line to about 2.3 mln USD. To specify further, these sums are approximate, are calculated based on existing circumstances and may be subject to modification. Advance payment of 1 mln GEL is included in this calculations."	For further clarity, it is clear single circuit overhead line of around 1km from the Plant's switchyard to Gardabani 500kV substation is the new investor's work, while the estimated increase of 2.3 mil USD is only for connection cost within GTPP 3 LLC's connection contract with GSE that specific works inside Gardabani 500kV substation is to be carried out by GSE. please confirm or further clarify otherwise.	"In case of underground cable, it should be single circuit + additional phase as reservation. Also, HV transformers should have additional phase as reservation. For more clarity, in case of underground cable - the connection cost may be increased to about 4.7 mln USD and in case of over head line to about 2.3 mln USD, these sums are approximate, are calculated based on existing circumstances and may be subject to modification. Advance payment of 1 mln GEL is included in this calculations." In both scenarios the amount relates to arrangement of the line bays in GSE territory and construction of the transmission line from the substation to switchyard.
10					<b>NOTE:</b> To provide further clarification regarding our previous clarification 3, No.12 : If a newly established company (the "NEC") emerges as a result of a joint venture, partnership, or consortium, all entity members/shareholders of the NEC must submit financial statements and other required documents as outlined in Clause 3.2 of the RFP Documentation. Additionally, at least one member/shareholder of the NEC must satisfy the stipulation specified in Clause 3.6 of the RFP Documentation (alternatively, the NEC itself must fulfill the criteria set out in Clause 3.7 of the RFP Documentation). To eliminate any uncertainty, the NEC itself must also meet the conditions outlined in Clause 3.14 of the RFP Documentation, In case if a member of such an entity is an Individual it shall also meet RFP requirements.