



**REQUEST FOR PROPOSALS FOR THE PROVISION OF SPECIALISED TECHNICAL SERVICES TO THE  
HELLENIC REPUBLIC ASSET DEVELOPMENT FUND SA (“HRADF”) IN RELATION TO THE RIGHT IN THE  
UNDERGROUND NATURAL GAS STORAGE (“UGS”) FACILITIES IN SOUTH KAVALA**

*Athens, July 12, 2019*

**1. Introduction**

**1.1. Pursuant to:**

- i. the provisions of the single article of Law 3985/2011 “Medium Term Fiscal Strategy 2012- 2015” (Government Gazette A’/151/2011), which approved the Medium Term Fiscal Strategy 2012-2015 and the “Privatisation Programme 2011-2015” (Chapter B’, Part II “Privatisations”),
- ii. the provisions of Law 3986/2011 on “Emergency Implementation Measures for the Medium Term Fiscal Strategy Framework 2012-2015” (Government Gazette A’/151/2011), by virtue of which the Hellenic Republic Asset Development Fund SA (“HRADF” or “Fund”) was established with the sole object of developing assets of the Hellenic Republic, which are included in the Privatisation Programme,
- iii. the provisions of Law 4046/2012 (Government Gazette A’/28/2012) “Approval of the Draft Agreements for Financial Assistance Facility between the EFSF, the Hellenic Republic and the Bank of Greece, of the Memorandum of Understanding between the Hellenic Republic, the European Commission and the Bank of Greece and other provisions for the reduction of the public debt and the salvage of the national economy”, which updated the Privatisation Programme included in Annex IV,
- iv. the provisions of paragraph 4.4 (Structural Policies for the enhancement of competitiveness and development - Privatisation) of Law 4336/2015 (Government Gazette A’/94/2015) “Ratification of the draft agreement for the Financial Support from the European Stability Mechanism and provisions for the implementation of the Financing Agreement”,
- v. the decision no 195/27.10.2011 of the Inter-ministerial Committee for Asset Restructuring and Privatisations S.A. (“ICARP”) of the Hellenic Republic, by virtue of which HRADF was granted the right to convert and develop the depleted offshore natural gas field of South Kavala into the country’s first Underground Gas Storage (“UGS”) facility,
- vi. the provisions of the updated Asset Development Plan of the HRADF, as approved by HRADF’s BoD on the 20<sup>th</sup> of December 2018 and endorsed by means of a relevant decision by the Government’s Council for Economic Affairs and Policy on the 15<sup>th</sup> of February 2019,
- vii. the provisions of the Procurement Regulation of HRADF (hereinafter referred to as the “Procurement Regulation”) as amended and codified by the Decision No 2/16128/0025 of the Minister of Finance (Government Gazette B’/476/2014), namely articles 2.1, 2.4, and 2.6.

The Asset Development Plan of HRADF, as approved, foresees the development and exploitation of the country’s first Underground Gas Storage (“UGS”) facility in the depleted offshore natural gas field of South Kavala which lies approximately 30 km south from the city of Kavala in Northern Greece (the “Project”). The UGS is intended to serve as energy infrastructure that will enhance the security of gas supply in the Greek



market and improve the management of natural gas suppliers' portfolios. The Project is intended to decisively contribute to the optimisation of gas supply operations (maximise Greece's potential to serve as an energy hub) and enhance the energy security of the gas market by providing security of supply at both national and European level to the benefit of the end consumer. It is noted that the Project is included in the list of Projects of Common Interest - European Commission (PCI) adopted on 17 October 2017 by the European Commission and the Member States in the PCI Regional Group Meeting.

- 1.2. HRADF is seeking to appoint a leading specialised consulting firm to act as its technical advisor (the "Technical Advisor") to advise HRADF in cooperation with its other professional advisors in connection with the Project.

## 2. Scope of Work

The assignment is divided in two phases: (a) the Preparatory Phase, and (b) the Implementation Phase.

The assignment of the Implementation Phase to the Technical Advisor is subject to the prior written approval of HRADF.

It is highlighted that the Technical Advisor's Scope of Work will be based on existing data and no collection of raw data / procurement of new data will be required.

The assignment will include the following:

### 2.1. During the Preparatory Phase, the Technical Advisor shall (inter alia):

- 2.1.1. Review and assess all existing data on the Project's technical components and operation (the "Data") for their compliance with the industry's international best practises and completeness with regards to the Project's feasibility, making an evaluation of the Project's feasibility and deliverability, particularly with regards to:
  - the geological, geomechanical and geographical suitability of the depleted offshore natural gas field in for its conversion to a UGS facility;
  - the surface and subsurface equipment components and propose additional technology and equipment necessary for the conversion of the depleted gas field to a UGS facility, including, inter alia, all necessary platforms, wells, machinery, and equipment for the supply and disposal of fuel, water, electric power, and waste;
  - the existing design and the proposed connection infrastructure required for the import/export of natural gas as well as the adequacy of storage capacity for the Project;
  - the UGS's ability to deliver strategic (security of supply) gas reserves and provide gas supply optimisation activities (via gas trading activities) both separately and simultaneously;
  - the permitting and licensing requirements for the construction and operation of the Project, including assessment of environmental regulations, monitoring and control systems and industry health, safety and security standards and guidelines;
  - the technical and environmental risks of delivering a UGS facility and its connection to the National Gas Transmission System in terms of construction (connection infrastructure etc.) and operation;
  - an estimation of the required capital expenditures and operating expenses (including maintenance requirements and related costs) of the Project, providing also a view on the necessity for the revision of any assumptions of the Data, an indicative estimate of what the assumptions may be revised to, as well as the effect of this revision on the final cost of the Project;
  - any available, relevant contracts with third parties which may affect the Project's delivery and



operation from a technical perspective, expressing a view on the overall compatibility of their terms and conditions with the Project, its suggested operating parameters and the industry's international best practices;

- 2.1.2. Deliver a due diligence report describing the results of all due diligence tasks of a technical nature that were performed, including also a summary of the review and evaluation on the feasibility and deliverability of the Project (the "Due Diligence Report"). Any omissions, deficiencies and limitations in the Data identified during the review should be reported as part of a gap analysis and evaluated as per applicable compliance requirements. A suggested course of action for the completeness of data and fulfilment of the feasibility of the Project should also be provided.
- 2.1.3. Catalogue and sequence all the Data for the preparation of a Virtual Data Room ("VDR"), including an indicative VDR index.
- 2.1.4. Provide all other support and proposals, as reasonably requested, for the facilitation of HRADF's approval process or any other approval processes that may be deemed necessary.
- 2.2. During the Implementation Phase the Technical Advisor shall (inter alia)
  - Assist HRADF in the transaction process for the concession of the right to use and develop the almost depleted gas field in South Kavala for its conversion and exploitation as a UGS facility (the "Transaction") until its completion;
  - Draft the technical sections of the tender documents and the concession agreement;
  - Assist HRADF in any communication with third parties (i.e. Hellenic Republic, RAE, etc)
  - Catalogue and sequence all the Data for the preparation of a Virtual Data Room ("VDR") that will need to be provided to investors;
  - Prepare all relevant marketing materials/presentations/transaction documents (e.g. Confidential Information Memorandum) based on the Due Diligence Report;
  - Evaluate and compile the VDR Data;
  - Facilitate site visits;
  - Support HRADF during the buyer's due diligence process by being, inter alia, available and accessible for Q&A sessions with potential investors and by promptly providing feedback to written questions in relation to technical matters;
  - Review and evaluate the technical parameters proposed by interested investors and cooperate with HRADF's other professional advisors to review their impact on commercial metrics;
  - Assist communications with interested investors where appropriate.

It is noted that as part of the Implementation Phase the Technical Advisor's reports and evaluations are expected to be shared with prospective investors and financiers.

### **3. Duration and Budget**

- 3.1. **Duration.** The duration of the engagement shall be thirty (30) calendar months or until the completion of the Transaction (whichever event occurs first). An extension of the duration of the engagement may be agreed upon if such is deemed necessary for the completion of the Transaction.
- 3.2. **Budget.**
  - 3.2.1. Preparation Phase: The maximum available budget for the assignment's Preparatory Phase including expenses is Euro 250.000 (excluding VAT).



3.2.2. Implementation Phase: The maximum available budget for the Implementation Phase, including expenses is Euro 100.000 (excluding VAT).

#### 4. Qualification and Criteria

The Interested Parties should be able to demonstrate their standing and professional experience in relation to the assignment tendered. In particular, the Interested Parties should be able to demonstrate:

- 4.1. **Track Record & Experience:** Relevant experience in natural gas storage facilities (in particular offshore) in Europe and internationally. Experience related to underground gas storage facilities shall be highly appreciated. Proven track record for providing relevant technical services to national authorities and natural gas supply and/or storage companies. The Dossier should include obligatorily a catalogue of all the relevant projects in which the interested party has participated in the last five (5) years (**DOSSIER A'**).
- 4.2. **Project Team** Proposed team composition (and its proposed structure) including relevant experience of the senior members of the team during the last five (5) years. Experience of the project team members related to underground gas storage facilities from a technical, licensing and environmental perspective shall be highly appreciated. The suggested senior members of the project team may be replaced only with HRADF's prior consent, which shall not be unreasonably withheld (**DOSSIER B'**).
- 4.3. **Methodological Approach:** Initial understanding on the requirements and deliverables of the assignment, including an indicative timetable for its implementation (**DOSSIER C'**).
- 4.4. **Financial Offer:** The Dossier should include a detailed fee analysis and structure stating separately the following: a) Fees (including expenses at capped amount) for the Preparatory Period, b) Fees (including expenses at capped amount) for the Implementation Period. The kind of expenses and their settlement shall have to comply with the Project Expense Policy of HRADF (**DOSSIER D'**).
- 4.5. The Interested Parties must declare in writing that they and each member of the proposed project team do not have a conflict of interest at the time of the Submission of the Proposal. Such a declaration confirming the absence of any conflict of interest shall be in effect throughout the term of the engagement of the Advisor with HRADF.
- 4.6. Natural persons being involved in the tender process must also declare in writing that they consent to the processing of their personal data submitted in the context of this RfP (as per par. 6.6 below) according to Annex 1 attached hereto which consists an essential part hereof.
- 4.7. The Interested Parties must meet all the qualifications as described above under 4.1 through 4.6. Interested Parties, who fail to submit their Proposal fully compliant to the qualifications required under 4.1 through 4.6 of this Request for Proposals, shall be disqualified from the Tender.
- 4.8. The Advisor must observe and abide by the rules provided for in art. 7 of the Law 3049/2002 and particularly their professional code of conduct and relevant confidentiality rules even after the conclusion of their engagement.

#### 5. Selection Process

- 5.1. The assignment will be awarded in accordance with the provisions of the Law 3986/2011 and article 2.4 of the Procurement Regulation, as currently in force.
- 5.2. The Proposals of the Interested Parties are assessed and evaluated in accordance with the table below. The tender will be awarded to the Interested Party with the highest score.
- 5.3. The Proposals of the Interested Parties are evaluated on the basis of the following criteria and their respective weighting. For the avoidance of doubt, the Financial Offer (DOSSIER D') shall be evaluated on the basis of the aggregate amount of the Fees (including expenses at capped amount) for both the Preparatory Period and the Implementation Period.



Criterion	Weighting
Track Record & Experience - DOSSIER A'	30%
Project Team - DOSSIER B'	25%
Methodological Approach - DOSSIER C'	15%
Financial Offer - DOSSIER D'	30%

- 5.4. HRADF may request additional documents and/or clarifications and/or information from the Interested Parties in connection with any issue related to their Proposal, as deemed necessary.
- 5.5. The Proposal, consisting of DOSSIERS A', B', C' and D', the declarations confirming the absence of any conflict of interest and any other supporting documentation which proves the required experience and expertise of the Interested Parties as well as of the individual members of their proposed team, are permissibly submitted only electronically by e-mail at the e-mail address: [info@hraf.gr](mailto:info@hraf.gr) (for the attention of Mr. Mr. Yiannis Zapantis), marked "REQUEST FOR PROPOSALS TO ACT AS A TECHNICAL ADVISOR TO HRADF IN RELATION TO THE RIGHT IN THE UNDERGROUND NATURAL GAS STORAGE FACILITIES IN SOUTH KAVALA (UGS)"
- 5.6. DOSSIER D' must be protected with a password; if not, the Interested Party shall be automatically disqualified. Following the assessment of DOSSIERS A', B', C', and provided that the declarations (a) confirming the absence of any conflict of interest and (b) consenting to the processing of natural persons' personal data submitted in the context of this RfP are included, only the Interested Parties which comply with the requirements under para. 4.6 (regarding DOSSIER A', B', and C') will be invited via e-mail to send the password for DOSSIER D'. The Interested Parties who fail to comply with the above requirements will be notified accordingly. Following the assessment of DOSSIER D', the Interested Parties (invited to send the password for DOSSIER D') will be notified about the outcome of the process.
- 5.7. The Proposals are submitted **no later than the 28<sup>th</sup> of August 2019, 17:00**, Athens time. Proposals submitted after the aforementioned deadline shall be deemed inadmissible and thus immediately rejected. In the case of a late receipt, the Proposal shall not be evaluated.
- 5.8. HRADF reserves the right to ask from the Interested Party with the highest score to improve its financial bid, prior to the final award of the assignment.
- 5.9. The award of the assignment is subject to the conclusion of a written contract which shall also include the following terms:
- (a) The Technical Advisor shall be liable for any negligence, including slight negligence, and willful misconduct.
  - (b) In case the Technical Advisor is a consortium, the liability of the members of the consortium shall be joint and several.
  - (c) The Greek Law shall be the governing law of the engagement and the court of Athens shall have exclusive jurisdiction to resolve any disputes arising under, out of, or in connection with the assignment with the Technical Advisor.
  - (d) The Technical Advisor shall under no circumstances be substituted, for part or for all the assignment by any other third party, including its affiliates or agents of the Technical Advisor, without the prior written consent of HRADF.



## 6. Terms and Conditions

- 6.1. The Proposals to be submitted and this Request for Proposals, as well as the Advisor's engagement letter for the assignment, are governed by and construed in accordance with the laws of the HR, taking also into consideration the prevailing market's levels, the practice of HRADF and its internal policy, including terms and conditions customary in the circumstances.
- 6.2. The Interested Parties accept hereby the Project Expenses policy of HRADF on the reimbursement of the expenses of its Advisors.
- 6.3. HRADF or any of its advisors, or agents, or employees, or officers are not to be held responsible or liable in respect of any error or misstatement/misrepresentation in, or omission from, this Request for Proposals. No person acquires against HRADF and its officers, agents, employees and officers, or the HCAP or the Advisors any right or claim for compensation, or indemnification, or other, for any reason or cause related to this Request for Proposals and/or the Proposal and/or the participation in the Tender. No representation, warranty or undertaking, expressed or implied, is, or will be made, in relation to the accuracy, adequacy or completeness of this Request for Proposals and the Tender Process in general.
- 6.4. HRADF reserves the right, at the fullest extent possible and at its exclusive discretion, to cancel, suspend, amend or postpone this procedure, without any prior notice or update, as well as to terminate any negotiations or discussions at any stage of the process, without incurring any liability whatsoever as against any participant and/or any third party.
- 6.5. Any dispute arising under, or out of, or in connection with the present Request for Proposals including the Proposals submitted and the Advisor's engagement letter for the Transaction, shall be subject to the exclusive jurisdiction of the Courts of Athens, Greece.
- 6.6. **Data Protection:** The Fund acts as controller regarding personal data of individuals which are collected in the context of the tender process (indicatively as per Qualification & Criteria of section 4 in this RfP) and the processing of said data is to be conducted pursuant to the legislation regarding the protection of personal data, as in force. Said personal data may be shared with HCAP, public entities and judicial authorities within their competence. The purpose of processing is for the implementation of the Tender Process, the evaluation of Proposals submitted by Interested Parties, as well as of the Engagement Letter, and their monitoring, the safeguarding of the Fund's rights and the security and protection of transactions in general, the fulfilment of the Fund's legal obligations, the prevention of fraud against the Fund, as well as informing Interested Parties with regard to the evaluation of their submitted Proposals as per par. 5.6 of this RfP. Natural persons being involved in the Tender Process consent to the processing of their above-mentioned personal data for the defined purposes and retain all their legal rights regarding accessing, correcting or objecting the processing and withdrawing their consent. To this end, such natural persons should submit a consent declaration in the form and with the content of the sample declaration attached hereto as Annex 1, which consists an essential part hereof.



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## ANNEX 1

### INFORMATION - CONSENT FORM FOR PERSONAL DATA PROCESSING

Capitalised terms herein shall have the meaning attributed to them in the RfP.

#### **I. Information**

The Hellenic Republic Asset Development Fund (“**The Fund**”), which is based in Athens, 1 Kolokotroni and Stadiou Str, 105 62, Phone: +30 210 3274400, e-mail: [info@hraf.gr](mailto:info@hraf.gr), informs, in its role as controller, the natural person that the Fund itself (or HCAP, public entities and judicial authorities within their competence) will process the following data:

##### **A. Type and source of data**

The personal data included in the present Request for Proposals (the “**RfP**”) (indicatively as per Qualification & Criteria in paragraph 4 of the RfP), which is submitted to the Fund in the context of this tender process by a natural person.

##### **B. Purpose of Processing**

Processing purpose is the evaluation of the Proposals, the implementation of the Tender Process, as well as of the Engagement Letter, and their monitoring, the safeguarding of the Fund’s rights and the security and protection of transactions in general, the fulfilment of the Fund’s legal obligations, the prevention of fraud against the Fund, as well as informing Interested Parties with regard to the evaluation of their submitted Proposals as per paragraph 5.6 of the RfP.

##### **C. Recipients of Data**

The recipients of the above (under para. A) data with whom data may be shared are the following: Hellenic Corporation of Assets and Participations S.A., public entities and judicial authorities within their competence.

#### **II. Retention period**

The data under para. A may be retained for a period starting from the date of their receipt and lasting: (a) for 20 years in case no engagement letter is concluded (b) for 20 years after the termination of the Engagement Letter, in case an Engagement Letter is signed. After the expiration of the above periods the personal data will be destroyed.

#### **III. Rights enforcement**

- 1.** The natural person has the right to know which of their personal data are or have been processed, to oppose and to object to the processing of data which concern them for purposes other than those described above in par. I B, as well as to transmit their data to another controller, without the objection of the Fund. For the enforcement of said rights persons concerned may address the Fund in writing (email: [dpo@hraf.gr](mailto:dpo@hraf.gr)). The enforcement of said rights regarding the processing of personal data of the above para. A. concerns exclusively their correction or update in order for those to be complete and accurate.
- 2.** The enforcement of said rights does not relieve Interested Parties from their obligations deriving from their participation in the tender process.
- 3.** The Fund has the right to reject the request for erasure of any natural person’s data if their retention is necessary for compliance with a legal obligation, for the performance of a task carried out in the public interest, for archiving purposes in the public interest, or for the establishment, exercise or defense of legal claims or third-party claims.

#### **IV. Obligations of the Fund**

The Fund has the obligation to take every reasonable measure to ensure the confidentiality and the security of personal data processing and the protection of said data from accidental or unlawful destruction, accidental loss, alteration, unauthorized disclosure of, or access to, personal data by anyone, as well as from any other form of unlawful processing. Capitalized terms herein shall have the meaning attributed to them in the RfP.



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**V. Consent**

After being informed of the above, I provide my unreserved consent for the processing of my aforementioned personal data for all the purposes referred to under para. (B) of this form. My consent is valid for any relation with the Fund as from now and until its expiration in any way or its withdrawal. A withdrawal of the consent can be performed by virtue of a relevant declaration to the Fund and will be valid for the future.

(Place) (Date)

(Signature)