

**Request for Proposal for Third-Party Engineering
Support Services**

Jordan Cove Energy Project, L.P.

Tuesday, July 17th, 2018

DISCLAIMER

THIS IS NOT A FEDERAL PROCUREMENT.

THE FOLLOWING REQUEST FOR PROPOSALS (RFP) WILL RESULT IN A PRIVATE CONTRACT BETWEEN JORDAN COVE ENERGY PROJECT, L.P. (JCEP) AND A CONTRACTOR, AND WILL BE GOVERNED BY THE LAWS OF THE STATE OF TEXAS. NEITHER THE PROCUREMENT NOR ADMINISTRATION OF THE RESULTING CONTRACT IS SUBJECT TO FEDERAL PROCUREMENT LAWS, REGULATIONS, OR PROTEST PROCEDURES. ANY DISPUTES NOT SETTLED BY THE PARTIES THEMSELVES MUST BE RESOLVED BY A COURT OF COMPETENT JURISDICTION, OR THROUGH ALTERNATIVE DISPUTE RESOLUTION PROCEDURES TO BE DETERMINED BY THE PARTIES AND DESCRIBED IN THE CONTRACT.

QUESTIONS CONCERNING THIS PROCUREMENT SHOULD BE DIRECTED ONLY TO JCEP. JCEP MUST PROVIDE INFORMATION SUPPLIED TO ANY INDIVIDUAL CONTRACTOR TO ALL CONTRACTORS SUBMITTING A LETTER OF INTENT TO RESPOND TO THE RFP.

THE FEDERAL ENERGY REGULATORY COMMISSION STAFF SHOULD NOT BE CONTACTED AND WILL NOT RESPOND TO ANY QUESTIONS CONCERNING THE PROCUREMENT PROCESS.

HOLD HARMLESS

The parties agree that the Federal Energy Regulatory Commission and its employees are not liable for any costs or judgments arising from the conduct of this procurement, and administration or supervision of the contract for the engineering support services described herein.



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A Pembina Pipeline Corp. company

TO: Potential Contractor

FROM: Amanda Barkley and/or Madeleine Wilkins
Jordan Cove Energy Project, L.P,
5615 Kirby Drive, Suite 500
Houston, Texas 77005
Tel: 832-255-3819

DATE: Tuesday, July 17, 2018

SUBJECT: Request for Proposals (RFP) to provide Third Party Engineering Support Services for the Jordan Cove Energy Project

Proposal Due Date: Friday, August 3rd, 2018 by 5:00 PM Central Standard Time.

1.0 BACKGROUND AND OVERVIEW

1.1 Background

Jordan Cove Energy Project, L.P. (JCEP) is soliciting proposals for Third Party Engineering Support services to address its proposed Jordan Cove Energy Project as more specifically described in Section 1.2.

The Federal Energy Regulatory Commission (FERC) is evaluating an application submitted by JCEP under Section 3 of the Natural Gas Act. As part of its review, FERC must assess the design of the proposed liquefied natural gas terminal, and the information will be included in the environmental impact statement. The FERC's Office of Energy Projects (OEP) will be responsible for providing technical direction to the third-party contractor for the engineering support services. A contract will be executed pursuant to the third-party contracting procedures set forth in 40 CFR 1506.5(c) and as referenced in the FERC third-party contracting program announced on February 4 and 9, 1994.

As the Applicant, JCEP is soliciting proposals through this RFP for a third-party contractor to provide the services described in section 2.0. The technical and cost proposals will be initially reviewed and evaluated by JCEP who will then submit the proposals to the OEP staff and file the proposals on the FERC's project docket as privileged. The OEP staff will make the final selection of the third-party contractor, based on its independent review of the technical, managerial, personnel, and Organizational Conflict of Interest (OCI) aspects of each proposal. Upon selection, the third-party contractor, JCEP and the Director of OEP will sign a Memorandum of Understanding (MOU) that details the roles and responsibilities of each party and mandatory provisions

of the contract (a sample MOU is provided in Appendix G). JCEP will finalize a contract with and fund the successful contractor for the preparation of this third-party engineering support services and any related activities (a sample third party services agreement is provided in Appendix H). The successful contractor will also enter into a Technology Non-Disclosure Agreement with JCEP and identified contractors.

Once a third-party contractor is selected, the OEP staff will direct the activities of the contractor in the preparation of the required documentation for the engineering support services within the scope identified herein. JCEP will have no control over nor direct the activities of the contractor. PHMSA and possibly others are cooperating agencies for the NEPA review process in connection with the engineering aspects of the Project.

1.2 Overview of the Project

JCEP is proposing to construct a new LNG export facility in Coos Bay, Oregon to serve overseas markets particularly around the Pacific Rim. The main components of the LNG Terminal include:

- access channel from the existing Coos Bay navigation channel and a terminal marine slip with a berth for one LNG vessel, an emergency lay berth, and a dock for tug and escort boats;
- LNG loading platform and transfer line;
- LNG storage system, consisting of two full-containment storage tanks;
- natural gas liquefaction facilities;
- gas pre-treatment unit;
- emergency and hazard systems, plant systems, and electrical systems;
- a utility corridor;
- other security and control facilities, administrative buildings, and support structures associated with the terminal on the South Dunes Site; and
- workforce housing camp on the South Dunes Site.

Maps of the proposed LNG Terminal and associated facilities are included as Appendix E.

1.3 Available Data

The proposed Jordan Cove Energy Project is presented in detail in JCEP's application to the FERC submitted on September 21, 2017, for Natural Gas Act Section 3 authorization, Appendix F. JCEP has organized its Exhibit F into Environmental Resource Reports (RR), as identified and containing the information listed in the FERC's regulations at 18 CFR 380.12.

Appendix F contains RRs 1, 10 and 11 in their entirety, while the public portions of 13 are available. These reports must be reviewed in detail to gain an understanding of the proposed project and the level of available engineering data. This information should be assessed for any required supplemental analysis prior to proposal preparation and submittal.

It is expected that the available data will facilitate third party engineering support services and the preparation of certain sections of the EIS. Proposals submitted in response to this RFP should clearly demonstrate an understanding of the extent of the provided information.

1.4 Schedule

Assuming JCEP responds expeditiously and completely to Engineering Information Requests (EIRs), the schedule (in calendar days) is as follows. However, it should be understood that the ultimate schedule will be determined by the OEP staff, not the applicant. Note that contract deliverables are designated with the symbol "▶".

Third-Party Contractor Selection

- Send out RFP to contractors: (day 1)
- Hold contractors' conference: (day 9)
- Submit proposals to JCEP by 5:00 p.m. on: (day 17)
- File application and contractor proposals with FERC: (day 20)
- OEP selects contractor: (day 30)
- Complete MOU and contract negotiations with (name of applicant): (day 40)

Third party Engineering Support Services and Associated Documentation

- Complete contract negotiations with JCEP: (day 0)
- ▶ Review and submit a summary of Fire Protection design with EIRs to OEP (day 21). The Fire Protection design review will include:
 - Preliminary Fire Protection Evaluation
 - Spill Containment System Design
 - Electrical Hazardous Area Classification
 - Building Sitting Analysis
 - Passive Protection
 - Hazard Detection
 - Emergency Shutdown
 - Hazard Control
 - Firewater
- ▶ Review and submit other systems summary with EIRs to OEP (day 21-180)

1.5 Letter of Intent

Third-party contractors shall submit a Letter of Intent before the Contractors' Conference to offer a proposal to JCEP at the e-mail address or regular mail address listed in Section 3.14. Those submitting a Letter of Intent will receive amendments to this RFP, if any, and copies of any written material from the Conference as described in Section 1.6. This letter will facilitate the distribution of written information but does not obligate the contractor to submit a proposal.

1.6 Contractors' Conference

A Contractors' Conference will be held by JCEP on Thursday, July 26th, 2018 beginning at 1:30 pm CST. At the conference, questions will be answered by JCEP. Contractors who submit a Letter of Intent and who do not attend the conference will be notified of any modifications and receive a copy of the minutes of the meeting within two (2) days of the meeting if an e-mail address or telephone facsimile number is provided. Otherwise, minutes of the meeting will be sent via regular mail.

The purpose of this conference will be to:

- answer contractors' questions about the RFP;
- provide copies of any other information to be used in the submission of a proposal; and
- entertain requests for other background documents, which may be available for use during the preparation of the proposal but were not sent to contractors.

All third-party contractors are strongly encouraged to attend this conference since this is the only opportunity to receive responses to questions. Telephone calls are not permitted; no questions related to this RFP will be answered in any forum other than at the Contractors' Conference. All questions must be answered at the conference so that all participants have equal access to the responses.

2.0 SERVICES REQUIRED

The selected third-party contractor will be responsible for assisting the OEP staff through third party engineering support services and completing related work within the agreed-upon schedule and approved budget. It will be the contractor's responsibility to notify JCEP if the work effort ultimately required by the OEP staff exceeds the work effort on which the bid was based or the approved budget.

The third-party contractor will be responsible for satisfactory completion of the following tasks:

- 2.1** Preparation of all project-related documents including reports and engineering information requests as required by OEP staff. In addition to paper copies, all materials must be provided to the OEP staff in Microsoft Word 2010 format, or as otherwise agreed

to by the OEP Engineering Project Manager.

- 2.2** As requested by OEP Staff, provide input to fire protection design review to meet the requirements of NEPA and other applicable laws and regulations. This includes review of Design Basis, Criteria, Philosophies, Codes and Standards, Specifications, Studies and other applicable engineering design information included in the RRs. The review will focus on the fire protection areas detailed in the FERC 2017 Guidance for Environmental Report Preparation Vol. II.

This information is available in the RRs included in the application made to the FERC. The third-party contractor shall review RRs 11 and 13 for accuracy and adequacy to meet the requirements of 18 CFR 380.12(m) and (o), as well as applicable sections from other resource reports related to the project engineering review, and shall prepare a EIR(s) to JCEP (routed through the OEP staff) requesting any other data that may be needed.

- 2.3** General Other Services at OEP direction including review of Design Basis, Criteria, Philosophies, Codes and Standards, Specifications, Studies and other applicable engineering design information included in the RRs.
- 2.4** Communicate and/or meet with OEP staff via email, conference call or in person on an as needed basis to review status and on-going engineering support services.
- 2.5** To the extent requested by OEP staff, analyze comments on fire protection design review and prepare draft responses to these comments.
- 2.6** Develop and maintain a formal project management system to allow for weekly or biweekly, as mutually agreed, tracking of schedule and budget status for the prime contractor and any subcontractors. This includes bi-monthly reports to JCEP on task work and regular invoicing.

3.0 PROPOSAL REQUIREMENTS

If a contractor provides a Letter of Intent to bid on the RFP, and subsequently does not intend to submit a proposal, the contractor shall notify JCEP as soon as possible, but in any event no later than three (3) days prior to the proposal due date. Contractors shall also return all materials to JCEP.

Contractors must provide two (2) copies of the technical proposal and cost estimate; JCEP will coordinate distribution, and ultimately provide the OEP staff with one hardcopy and one electronic copy of the proposals. Cost estimates must be submitted in separate sealed envelopes labeled "COST ESTIMATE." The proposal is limited to fifty (50) pages (single-sided, space and a half). All materials should be easily readable. The proposal should be concise, well organized and contain the following information in the order presented below:

3.1 Introduction

Explain the contractor's understanding of the project and a summary of the contractor's qualifications for this project in one or two pages. Because the project is located in Oregon, qualifications for assessing engineering material of this region of the country should be highlighted.

3.2 Technical Approach

Present an overall technical approach for third party engineering support and the approach proposed for individual technical areas and tasks. Include any recommendations to improve the scope (including rationale) and reflect those recommendations in an alternative cost estimate.

3.3 Project Organization and Management Approach

Describe the proposed project organization, with an organization chart including positions, responsibilities and reporting relationships. The project manager, deputy project manager, engineering disciplines with responsibility for each area, administrative support personnel, and any subcontractor(s) must be identified and their location specified. These key personnel shall not be reassigned within the project or to other projects without prior consultation with the OEP staff.

Describe the proposed management scheme for the project, with a discussion of where the work will be done and where each key person and subcontractor presently resides. Provide the proposed mechanisms for communication, reporting, technical direction and control, cost control, schedule control, quality control, quality assurance and control of subcontractors.

3.4 Qualifications and Experience

Describe qualifications and prior experience in conducting engineering review of similar projects, particularly export LNG facilities. Emphasize prior work experience with the FERC for natural gas-related projects, major relevant construction projects, and the geographical areas of study. Discuss the contractor's familiarity with the specialized issues and requirements of proposed facility construction. Discuss the contractor's understanding of the FERC engineering requirements for projects under the Natural Gas Act as reflected in FERC's regulations and current policies. Describe the contractor's past record in meeting performance and delivery requirements for similar contracts.

Statements of education, qualifications, and prior experience should be provided not only for the contractor, but also for the key personnel and subcontractors that will be assigned to the project, along with their **specific experience with the type of project under consideration.**

The past, current, and proposed use of small and small disadvantaged owned business

enterprises by the contractor should be described.

3.5 Project Schedule

Submit a proposed schedule delineating dates for completion of the major work tasks specified in Section 2.5 of this RFP. The selected contractor's proposal must address the completion dates as specified in Section 1.4 of this RFP. Any suggested modifications to this schedule must be presented with reasons for the changes. **Note, however, that the ultimate schedule will be determined by the OEP staff not the applicant.**

It is important that contractors demonstrate to JCEP and the OEP staff that ample resources exist to meet the project schedule. If a contractor has multiple engineering support and EIS obligations underway concurrently, it must clearly show separate resources or provide convincing evidence that it can meet the schedule.

3.6 References

List and describe three successfully completed or in-progress projects of a similar nature with the name and phone number of the client's project manager. Additionally, list three client references specifically for the proposed project manager.

3.7 Conflicts of Interest and Critical Energy Infrastructure Information

Identify possible conflicts of interest that may require investigation by the FERC staff. Include a discussion of all work completed by the contractor for similar work on natural gas-related projects within the last three (3) years. Pursuant to 40 CFR 1506.5(c), contractor selection is based on ability and absence of conflicts of interest. The contractor must also submit a Critical Energy Infrastructure Information (CEII) Non-Disclosure Agreement for itself and each subcontractor used.

All proposals must include the following three (3) items:

- Either the FERC's (a) Organizational Conflict of Interest (OCI) Representation Statement, or (b) OCI Disclosure Statement, prepared by a responsible official attesting the contractor and its subcontractor(s) have no financial or other conflicting interest in the outcome of the project, or proposing a mitigation plan if an actual or potential OCI exists. (See Appendix A.)
- The FERC's OCI Questionnaire. (See Appendix B.)
- A Contractor CEII Non-Disclosure Agreement. (See Appendix C.)

JCEP will complete an OCI Certification. (See Appendix D.)

3.8 Resumes

Resumes may be submitted as an attachment to the proposal or as a separate volume. All resumes should be limited to two pages and must include the institution and date of graduation for all academic degrees, as well as a summary of relevant work experience and the specific dates of performance.

3.9 Cost Estimate

JCEP anticipate awarding a contract that will be reimbursable with compensation being paid based on actual work performed and expenses incurred. Since the specific dates and number of personnel required are strictly estimates, each contractor shall submit a daily billing rate and expense rate sheet. As there are approximately 113 documents in the RRs associated with fire protection, JCEP expects that the review, summary, meeting, and data request and response review will require approximately 280 - 350 hours in technical review.

All preparation and processing of documents, third party engineering services, document preparation, and any other costs not associated with the daily crew rate shall be submitted as a fixed-price proposal with an attached cost breakdown. JCEP understand that there may be out-of-scope requirements for the completion of this project and any resultant costs will be handled between the contractor and the applicant under the provisions of the contract.

Any limiting assumptions used to prepare the cost estimate should be clearly specified in the proposal. Also include a rate schedule that will apply to the project for any work beyond the scope stated in this RFP.

Assume that JCEP, through the OEP staff, will provide the successful contractor with copies of all engineering information filed with FERC, including base maps, air photos, at the time that contract negotiations are completed.

3.10 Available Materials

Appendix F presents a list of documents available from JCEP that should assist contractors in preparation of their proposals. Please contact Amanda Barkley at 832-255-3819 to arrange for review of these documents. Note that JCEP will only entertain questions about this RFP at the Contractor's Conference discussed in Section 1.6.

3.11 Sample Memorandum of Understanding (MOU)

Appendix G to this RFP presents a sample MOU with key provisions that must be included in the awarded contract. Contractors are asked to review this sample MOU and point out any difficulties with contract language in their proposal. The proposal must indicate the contractor's review of the sample MOU and identify issues which require resolution during negotiations. Issues raised after submittal of the proposal will not be subject to negotiation. The person(s) authorized to negotiate on behalf of the contractor should be identified.

Please note the OEP staff cannot be contacted on any contract negotiations between JCEP and the contractor.

3.12 Sample Third Party Services Agreement

Appendix H to this RFP presents a sample Third Party Services Agreement with key provisions that must be included in the awarded contract. Contractors are asked to review this sample Third Party Services Agreement and point out any difficulties with contract language in their proposal. The proposal must indicate the contractor's review of the sample Third Party Services Agreement and identify issues which require resolution during negotiations. Issues raised after submittal of the proposal will not be subject to negotiation. The person(s) authorized to negotiate on behalf of the contractor should be identified.

Please note the OEP staff cannot be contacted on any contract negotiations between JCEP and the contractor.

3.13 Technology Non-Disclosure Agreements

The successful contractor will enter into a Technology Non-Disclosure Agreement with JCEP and identified contractors. The top three successful bidders will be provided a copy of the Technology Non-Disclosure Agreement for review.

Please note the OEP staff cannot be contacted on any contract negotiations between JCEP and the contractor.

3.14 Addresses

Submit Letters of Intent via e-mail to:

Amanda Barkley and/or Madeleine Wilkins
amanda.barkley@jordancovelng.com
madeleine.wilkins@jordancovelng.com

Submit Technical Proposals and Cost Estimates to:

Attn: Amanda Barkley and/or Madeleine Wilkins
5615 Kirby Drive, Suite 500
Houston, Texas 77005
Tel: 832-255-3819
amanda.barkley@jordancovelng.com
madeleine.wilkins@jordancovelng.com

Technical Proposals and Cost Estimates should be submitted to JCEP by 5:00 PM Central Standard Time on Friday, August 3rd, 2018.

4.0 SELECTION PROCESS

Only those proposals submitted by contractors prior to the deadline stated herein will be evaluated. The proposals will be initially reviewed by JCEP, and then proposals will be submitted to the OEP staff. The proposals will also be filed on the FERC project docket in accordance with the Commission's instructions for filing of privileged material.

JCEP will provide the OEP staff with one hardcopy and one electronic copy of the contractors' proposals, along with the contractors' OCI statements, CEII non-disclosure agreements, and JCEP's OCI certification of each contractor. FERC's GAL will perform an OCI review of the submitted proposals. OEP staff will then conduct an independent review of the contracts cleared by GAL and the Director of OEP will make the final selection of the contractor. Lack of an OCI Statement, or the existence of an identifiable OCI (relative to the contractor, its key personnel, or any proposed subcontractor) that cannot be mitigated to the satisfaction of the FERC staff, will be sufficient grounds for proposal rejection.

Once the OEP staff has notified JCEP of its selection and the MOU is signed, JCEP will negotiate and fund a contract with the contractor. JCEP will keep the OEP staff apprised of the negotiations with the contractor. Once the contract has been executed, the contractor will proceed to work solely under the direction and guidance of the OEP staff. Pursuant to 40 CFR 1506.5(c), the responsible official (i.e., the OEP staff) "shall furnish guidance and participate in the preparation and shall independently evaluate the [environmental document] prior to its approval and take responsibility for its scope and contents."

Appendices:

- A. OCI Representation and Disclosure Statements*
- B. OCI Questionnaire*
- C. Contractor CEII Non-Disclosure Agreement*
- D. OCI Certification*
- E. Project Overview Map*
- F. List of Available Background Documents*
- G. Sample Memorandum of Understanding*
- H. Sample Third Party Services Agreement*