



**THE NATIONAL GAS COMPANY
OF TRINIDAD AND TOBAGO LIMITED**

Beetham Water Recycling Plant

Setting the record straight

The National Gas Company of Trinidad and Tobago Limited (NGC) is issuing this statement to clarify any misconceptions that may have arisen following statements in Parliament regarding the requests for proposals (RFPs) for the Beetham Water Recycling Plant (WRP). The RFP was advertised on September 2, 2013 (not September 9, as was stated in Parliament). It should also be emphasized that this is an NGC tender being managed by NGC – not a Water and Sewerage Authority (WASA) tender being managed by NGC. NGC feels it is imperative to set the record straight, as well as inform the people of Trinidad and Tobago of the importance of this project and its benefit to the nation's energy sector and domestic customers throughout the country.

What is the Beetham WRP?

The Beetham WRP is an initiative designed to upgrade the Beetham Wastewater Treatment Plant (WTP) to recycle wastewater to industrial standard and use it to supply clients in the Pt. Lisas Industrial Estate (currently, treated water from the WTP is pumped into the sea). This requires modifications and additions to the existing plant at Beetham and new pipeline infrastructure to transport the water over land to Pt. Lisas. This pioneering project will be the first to include water recycling among the nation's menu of technologies for water provision. The existing ones are: surface water,

ground water and desalination. The Beetham WRP will provide 10 million gallons of water per day to Pt. Lisas, freeing-up water for distribution to domestic customers across the country. This additional 10 million gallons of water per day will provide a full-time water supply to over 150,000 people and positively impact over 200,000.

Why is the Beetham WRP important?

The Pt. Lisas Industrial Estate, the heart of our nation's energy industry, is a major consumer of water, using an estimated 23 million gallons of water per day. If that supply is compromised and the operations of the Estate are negatively affected, Trinidad and Tobago could experience severe economic consequences. This was almost the case during the 2010 Dry Season in which the water supply became so critical that it almost led to the complete shutdown of the entire Pt. Lisas Industrial Estate.

How was the project's feasibility determined?

The project underwent a technical feasibility study carried out by a consortium from Singapore which included KPMG in Singapore www.kpmg.com/sg, PUB (Singapore's national water agency) www.pub.gov.sg and state-owned company CPG Corporation www.cpgcorp.com/sg. Links to their websites have been included to illustrate the world-class standard of expertise retained to undertake this groundbreaking initiative. Teams from NGC and WASA were included in the study, which looked at both engineering

and financial feasibility. It was concluded that the project was sound, cost-efficient and would have the desired long-term benefits for the nation.

What is NGC's role?

The project is being funded and managed by NGC and, when the plant is completed, NGC will be responsible for its operations. This arrangement was set out in a memorandum of understanding (MOU) between NGC and WASA. The MOU provides for NGC to treat the wastewater that comes from the existing Beetham plant and transport it to Pt. Lisas for redistribution and sale by WASA to its customers at the Pt. Lisas Industrial Estate.

Why is NGC involved?

There is powerful synergy in the Beetham Water Recycling Plant. NGC and WASA each has existing, crucial "right-of-way" availability on land which, when combined, provides a much more cost-effective option than a marine pipeline to Pt. Lisas. Additionally, NGC has the financial and manpower resources to successfully complete a project of this nature. This is a collaborative effort between state agencies which we feel should be encouraged to provide cost-effective solutions for the nation.

Are the tender qualifications artificially low?

No. Since projects of this nature are not routinely undertaken in this country, local contractors will not have the same level of experience to cite as a foreign entity will, while no doubt having the same capability.

Therefore, the minimum requirement level for qualification has been set to give local companies an opportunity to bid for the Beetham WRP without compromising in any way the integrity of the project. This underscores our belief in the capacity and capability of our local contractors.

What is the meaning of "sole bidder"?

"Sole bidder" as used in the request for proposals means a main contractor with sub-contractors. It is one of several groupings of interested parties – including joint ventures and consortiums – invited to submit tender documents for the Beetham WRP.

Does the RFP give bidders enough time to submit tenders?

Yes. The RFP for the Beetham WRP was made public on September 2, 2013, giving bidders eight weeks to submit their tender documents. It was stated in Parliament that this is insufficient time and the standard is three to four months. However, much of the pre-work (which began in February) for the project has already been completed; this includes preliminary design work, process design, equipment specifications, plant layout and "right-of-way" for pipeline construction. In addition, with the technology available at this time, eight weeks is more than sufficient to submit a proper tender. As proof of this we have received many expressions of interest from both international and local entities.