



State of Kuwait
Partnerships Technical Bureau

Re: Kuwait – Az-Zour North IWPP

Dear Sir,

The State of Kuwait, through the Partnerships Technical Bureau ("**PTB**"), is pre-qualifying companies to participate in a tender for the development, design, engineering, construction, ownership, operation, maintenance and transfer of a power and desalination plant in the range of 1,500 MW and 100 MIGD on an IWPP basis at Az-Zour North (the "**Project**").

A Request for Proposals (the "**RFP**") will be issued during the final quarter of 2010. The Preferred Bidder will be evaluated on a transparent, fair, impartial and commercial basis, in accordance with the IWPP Law (Law No. 39/2010) as well as the criteria and the process that will be fully described in the RFP.

Additional details in relation to the Project are described in the Project Brief as provided in Attachment 2 to this letter.

Companies that wish to pre-qualify must satisfy the following minimum criteria:

- A minimum tangible net worth of US\$250 million (or equivalent);
- Demonstrate the extent to which by utilising its own resources (or through its subsidiaries), it has successfully developed at least:
 - two major Independent Water and Power Producer projects; or
 - two major Independent Power Producer projects; or
 - at least one major Independent Power Producer project and one major Independent Water and Power Producer project;
- It currently owns at least 500MW of generating capacity; and
- Demonstrate a track record in raising limited recourse financing for at least two major power (and/or desalination) projects.

Please note that required qualifications of contractors will be set out in the RFP to verify particularly the power and desalination qualifications of the selected EPC and O&M contractors.

In any consortium that wishes to pre-qualify, the lead developer in that consortium (the "**Managing Member**") should meet the above minimum criteria and it must undertake to hold for a certain period of time to be stipulated in the RFP, not less than 35% of the share in the consortium. In such case, it is expected that the Managing Member will have explicit management control of the Project. The composition of the consortium must be provided. Only limited variations to be approved by PTB in writing will be permitted after the RFP has been issued.

PTB requests that you return Form 1 and Form 2 provided in Attachment 1 by 11.00am, Kuwait time on 25 November 2010, demonstrating that either you or your consortium meets the above criteria:

- (i) in PDF format to the following email address: a.alhedaib@ptb.gov.kw, and
- (ii) in hard copy to Partnerships Technical Bureau located at the Touristic Enterprises Company Building, 2nd Floor - Showaikh Administrative Area - Al-Jahra Street - Kuwait

A non-refundable fee of 5,000 KWD must be paid when the hard copy is submitted. Failure to make a payment will result in the request for pre-qualification not being considered.

In accordance with Law No. 7/2008, all companies listed on the Kuwait Stock Exchange are considered pre-qualified to bid for the Project and participation in the pre-qualification process described above is not required.

If you are pre-qualified, you will receive a pre-qualification letter requiring you to send a formal Letter of Intention (the form of which will be made available to you) shortly thereafter. The Letter of Intention will reiterate your intention to bid and will contain the full contact details for the receipt of the RFP. The Letter of Intention and a Confidentiality Agreement must be executed by an authorised signatory of your company, or in the case of a consortium, by the Managing Member who has been duly authorised by each other member of the consortium to execute such documents.

Yours Faithfully,

ADEL Mohammed AL-ROUMI

PTB President
IWPP Committee Chairman