

Jamaica agency names bidder for power plant

Jamaica's utilities regulator on Wednesday named a preferred bidder to potentially build a major new power plant shortly after a watchdog agency criticized the island's top energy official for what it called his "improper intervention" in the evaluation process.

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The Caribbean island's Office of Utilities Regulation said it picked a joint venture of New York-based Azurest Partners and Miami-based Cambridge Project Development Inc. The companies, with assistance from Houston-based Waller Marine, are vying to supply some 360 megawatts of gas-fired generating capacity to the oil-dependent country's grid. The proposed plant would be the biggest power-generating plant on the island. Energy Minister Phillip Paulwell applauded the announcement by the agency, saying concrete steps were finally being taken toward reducing Jamaica's energy costs - a longstanding problem in the import-reliant nation of some 2.7 million people. "Jamaica's energy bill is too high, and the country cannot afford any further delays in transforming our energy sector - we simply have no more options," Paulwell said Wednesday. But the power project has recently been mired in controversy. Various private-sector groups have been critical of the evaluation process and the island's contractor general issued a report criticizing Paulwell's role and for making "misleading" statements about the ranking of bidding companies in parliament in recent weeks. Contractor General Dirk Harrison said Paulwell should not have met with representatives of a Hong Kong company, Energy World International, which was previously short-listed as the utility agency's preferred bidder. He asserted that the company was included in the evaluation process after the closing date. But Paulwell has dismissed the criticism, saying it is based on a misunderstanding of the process. He said no meetings have been held with any companies since the final round of evaluation got under way. In their Wednesday rankings, the Office of Utilities Regulation listed Energy World International second on their list of four bidders. The utility regulation office, which has been widely criticized for delays in the bidding process, says the top-ranked bidder of Azurest-Cambridge must now pay a security representing 1 percent of the total investment cost of the proposed project within 15 days. If it fails to manage this, the opportunity to lead the project would go to the second-ranked company. Azurest Partners, which is a business advisory services firm that says it focuses on Africa and other emerging markets, has pledged to roughly halve Jamaica's power costs by 2015.