

THE API FOUNDATION PTY LTD
ABN: 73 111 280 221

REQUEST FOR PROPOSAL

Date of Issue: 27th March 2006

Date for Return: 30th June 2006

1. INTRODUCTION

1.1 Background

The API Foundation Pty Ltd (referred to hereafter as the API Foundation) is the Trustee for The API Trust Fund (The Trust Fund). The purpose of The Trust Fund is set out in the Trust Deed, as approved by the Australian Taxation Office, and is concerned to ensure the availability of technical skills to meet the Australian power industry needs in the future. The API Foundation and the Trust Fund have been established as the initiative of the Australian power industry.

One of the primary purposes of the Trust Fund is to provide assistance to universities on a needs and performance basis to meet the objectives of the API Foundation. While the primary objective of The API relates to education and teaching at undergraduate and post graduate levels, The API recognises that a strong academic resource also requires an associated research program.

The process for giving effect to the objectives is firstly by the issue to all universities of a broad request for Expressions of Interest (EOI). This part of the process has now been completed and universities have been notified as to the decision regarding the submissions received.

1.2 Purpose of this Request for Proposal

The API Foundation is issuing this Request for Proposal ("RFP") to seek specific proposals from short listed universities to meet the objectives of The API Foundation with respect to the enhancement of teaching and research in the area of power engineering.

This Request for Proposal (RFP) document concerns the second stage of the process and sets out the requirements for the proposals from the selected universities for consideration by the Board of the API Foundation with a view to entering into contractual arrangements with the universities selected from the assessment of these proposals.

2. GENERAL REQUIREMENTS

2.1 Broad Objectives

This RFP is to be seen in the context of the objectives of the API Foundation set by industry CEOs. In broad terms, these objectives are as follows.

The focus of the API Foundation is:

"To ensure a sustainable supply of engineering skills for the power industry in Australia."

The API Foundation will encourage and support the following in order to achieve its objectives:

- Short courses in areas of industry needs
- Post graduate courses
- Undergraduate programs including industry training
- Seminars by experts
- Programs for paraprofessionals
- Continuing professional development
- Industry experiential programs (including job rotation).

The aim will be to address the critical training needs of the various sectors of the power industry, and develop modules such as those based on the ENA key areas for Distribution sector, short courses and modules based on CIGRE panel structure including rotating machines and power generation.

The API Foundation will seek to:

- Strengthen undergraduate courses in power engineering
- Meet different needs for skilled engineers and paraprofessionals
- Support development of distance education programs and flexible delivery mechanisms
- Initiate and help development of Post Graduate Diploma and Master programs
- Enhance Para-professional training and pathways towards becoming professional engineers.

The API Foundation will support the universities and other educational service providers through:

- Identification and development of relevant subjects, modules and courses
- Support for hiring and development of academic staff
- Facilitation of provision of adjunct faculty
- Identification of and support for relevant research and development
- Support for teaching and training facilities, especially laboratories
- Leadership in developing CRC proposals
- Facilitation of student scholarships, cadetships and prizes.

The API Foundation will also seek to work with universities and local industry partners in programs to promote the choice of the power engineering area by students commencing undergraduate courses.

The overall program developed and supported by the API Foundation will be an amalgam of these elements to ensure a sustainable national structure of education and training in power engineering.

Additional detail relating to evaluation criteria can be found at section 5 of this document.

It is the intention that this document and the responses will lead to a contractual arrangements between the API Foundation and universities, directed towards achieving these objectives. This arrangement will be performance based, with requirements for agreed milestones.

Given that a broad objective of The API Foundation, to improve the capacity of Australian educational institutions to provide teaching in the area of power engineering, at undergraduate, post graduate and continuing professional technical development, it is understood that there is a need for appropriate research activity, but this is not the primary API concern.

The API Foundation is concerned to ensure that Australia is able to provide the technical skills necessary to meet the requirements of the electricity supply industry. This means ensuring coverage of the industry skills base through universities, with distributed areas of specialisation.

In providing coverage of all technical skill areas, it is recognised that it is not feasible to expect that any university can be expert in all areas. There is a need for a diversity of academic excellence across Australian universities and ensure that technical disciplines are available throughout Australia through cooperative arrangements.

The response to this RFP should have broad alignment with the response provided to The Expression of Interest but should not necessarily be limited in its scope.

2.2 COOPERATION BETWEEN UNIVERSITIES

The API Foundation sees cooperation between universities as achieving a number of objectives. It avoids unnecessary duplication and over concentration on particular disciplines and facilitates the establishment of centres of excellence with distributed membership and the building up of a sustainable academic resource in Australia in critical areas.

The API Foundation sees the development of a coherent national scheme for postgraduate education as an important priority. It is envisaged that this could involve flexible modes of delivery, delivered by universities cooperating in areas where expertise is present

The Expression of Interest document set out this principle of cooperation and responses received reflected university understanding of the request. It is generally requested that universities as a minimum proceed in accordance with proposal in the responses in the EOI.

It will be noted that among universities not asked to proceed further there will resources and programs which can be included by participating universities in this proposal, particularly within states. However this is a matter for determination by each proposer.

Universities are asked to set out in their responses their consideration to this need.

At this time it is expected that responses clearly set out proposals for cooperation, including letters of agreement, structural arrangements and specific academic areas and programs to be covered.

3. PROCESS AND OUTCOMES

3.1 Overview of process

Following receipt of responses to this Request for Proposal document, the following process will be followed:

1. An Assessment Panel will consider each response, in line with the criteria set out in Attachment A.
2. The Assessment Panel will report on the responses, against the criteria set out, but also with regard to the achievement of overall objectives and identify issues which need to be addressed to achieve API objectives.
3. The API Foundation Board as Trustee for The API Trust Fund will consider the report and direct further actions.
4. In accordance with the decisions of The API foundation Board, discussions and negotiations will be initiated with universities to address areas of concern.
5. If agreed as a result of the previous step, The API Foundation will conclude contractual agreements with universities,
6. Specific aspects of the agreements and performance requirements are set out below.

3.2 The API Foundation Primary contact

The primary contact is:

Mr Bryce Corderoy
Tel: 02 9484 6356 Mob 0419 400 542
Email: bryce.corderoy@api.edu.au

3.3 Timetable

The table below provides an indicative timetable for this process.

Stage	Date
Issue RFP	15 th March 2006
RFP close	30 th June 2006
Evaluation of proposals/clarification of matters (if required)	31 st July 2006
Selection of preferred universities	15 th September 2006
Contractual negotiations and signing of contracts	From 30 th September 2006. The API will seek to initiate appropriate programs at the earliest date, if possible before contract finalisation.

3.4 Conditions of participation in this RFP

3.4.1 Lodgement of RFPs

Proposals must be lodged by 5.00 pm on 30th June 2006 at PO Box 199 Lindfield NSW 2070. Respondents are required to provide two (2) printed and bound copies of their proposals to the attention of the API Foundation primary contact nominated above.

3.4.2 Late submission of proposals

Proposals received after the RFP close will be regarded as late. The API Foundation reserves the right to include or exclude late proposals from any further participation in this process.

3.4.3 Extension of RFP close

The API Foundation may at its discretion extend the deadline for the receipt of proposals.

3.4.4 Modification to the RFP

The API Foundation may, at its discretion, modify the RFP. Should the API Foundation make any such modification/s it will advise shortlisted universities by means of formal addendum to the RFP.

3.4.5 Clarification

Potential respondents may seek clarification of any of the contents of this RFP and any subsequent addenda. Enquiries must be in writing and directed to the API Foundation primary contact. The API Foundation reserves the right not to respond to enquiries, and may, at its discretion, and subject to confidentiality restrictions, make available any clarification of the meaning and content of the RFP to all potential respondents.

3.4.6 Conflicts of interest

Respondents are required to provide details in respect of any actual or perceived conflicts of interest that may arise as a result of their participation in this process, and proposed actions to manage any such actual or perceived conflicts of interest.

3.4.7 Extent of Proposals

Respondents are requested to look at a medium term time frame for solutions, extending to an initial five year program. It is expected that The API Foundation will give indications on an informal basis of the broad extent of funding. It is expected that as a program is agreed with respondents this will reflect the practicalities of meeting specific objectives.

4. RESPONSE REQUIREMENTS

Formal proposals from the universities in response to this RFP must be formulated within the context of Section 2: General Requirements.

Proposals are required to provide the following information in the respective Schedules:

With regard to university details requested below, it is the intention to gather details which establish firstly present strengths and capacity and secondly the intention of the university to build for the future

4.1 University Details

Schedule 1

This should include:

- 1.1 Name of University, Faculty and School
- 1.2 Address and contact person

Where applicable,

For Associated Universities

Schedule 2

- 2.1 Names of Universities
- 2.2 Proposed relationship
- 2.3 Governance arrangements
- 2.4 Areas of and arrangements for the proposed cooperation
- 2.5 Supporting, signed, agreements

4.2 Proposal for API Foundation Assistance

Schedule 3

These proposals could include items set out above in Sect A. and included in responses to the Expression of Interest document. Details should be set out in Schedule 1, for each distinct item, including:

- 3.1 Outline of assistance suggested
- 3.2 Background to proposal
- 3.3 Present university involvement and contribution
- 3.4 Costing, including time frames, over 4 year period
- 3.5 Benefit to the electricity supply industry

Where assistance is requested for more than one initiative, then a separate Schedule 3 document should be completed for each, giving each a separate item indication, Schedule 3, Item 1 etc.

4.3 Staffing

Existing Staff Resources

Schedule 4

Universities are asked to list existing academic staff teaching in the area of power engineering. Details should include;

- 4.1 Name and academic position
- 4.2 Areas of expertise
- 4.3 Courses at present delivered
- 4.4 Involvement with industry

New Staffing Proposals

Schedule 5

Where proposals for API Foundation assistance include additional staffing, then the following details are requested:

- 5.1 A general statement as to the future direction of school staffing
- 5.2 Listing of new staffing proposals, including levels and discipline within power engineering
- 5.3 A timetable as to each appointment.

Where the university is leading a cooperative arrangement then these details should also be provided for the staff from the cooperating university.

4.4 Financial Arrangements

Schedule 6

Within Schedule 6, the proposed financial business arrangements are required to be set out. For each proposal, it is in principal required that the university make a contribution, with no diminution of existing program funding. The following should be set out:

- 6.1 Total costs
- 6.2 Timing of costs and proposal for progressive funding
- 6.3 University funding, both financial and in kind

Regarding on costs, in principle, the API Foundation will not contribute to administration costs.

4.5 General

Schedule 7

The API Foundation wishes to develop initiatives in associated areas and seeks the cooperation of universities in advancing these objectives. Schedule 7 seeks a response to these concerns.

- 7.1 Participation in programs to encourage students to enter power engineering programs.
- 7.2 Participation in programs to allow for students to gain credits from different universities dor post graduate degrees.

5. EVALUATION CRITERIA

Respondents will be evaluated on the basis of the following criteria; however feasibility will be the first criterion:

Primary Factor	Secondary	Discussion
Relevance	<ul style="list-style-type: none"> • Fit with API direction • Fit with university direction/strategy • Fit with industry needs • Fit with postgraduate program • Fit with research activity • Fit with continuing education 	API direction is as set out in the outcomes of the CEO workshop. These outcomes embody in abroad sense the industry needs.
Capability	<ul style="list-style-type: none"> • Within the university <ul style="list-style-type: none"> - Existing - Planned/proposed • Industry association • International associations • Research activity • Sustainability • Resourcing - overt sign of university support and commitment • Resources sought 	<p>The Call for Expressions of Interest included sections relating to:</p> <ul style="list-style-type: none"> - Building on present strengths - Visions for enhanced capacity - Coverage of critical areas by recognized experts - Sustainable process over 4-5 years - Proposals have to be feasible, i.e., deliverable within the resources and capacity available and realistic future projections
Collaboration	<ul style="list-style-type: none"> • With other Universities • With industry • With International Unis and institutions 	<p>The Call for Expressions of Interest notes:</p> <ul style="list-style-type: none"> - Cooperation and collaboration with other service providers
Flexibility	<ul style="list-style-type: none"> • Distance Learning • Cross accreditation • Geographic Spread • Innovative delivery mechanisms 	<p>This refers to flexible delivery mechanisms</p> <p>The API Foundation needs to cover whole of Australia</p>

6. LEGAL CONDITIONS

The following provisions are to be seen as conditions regarding the submission of a response to this RFP and may be exercised by the API Foundation from time to time in its absolute unfettered discretion, without notice to the respondent and without assigning any reason.

The respondent acknowledges that the API Foundation has the right to do all or any of the following:

- To enter into and conclude negotiations with any other party, including any other respondent;
- To terminate any negotiations with any respondent;
- To require withdrawal of any respondent from the selection process;
- To waive certain requirements for particular respondents or other parties;
- To terminate the selection process;
- To introduce other parties (including parties excluded at any prior stage of the selection process) into the selection process;
- To accept joint submissions from interested parties including any of the respondents;
- To accept submissions received after the closing date and to depart from or modify any procedures or courses of conduct in relation to the selection process;
- Not necessarily proceed to a formal agreement with any of the respondents.

All costs involved in the response are to be met by the university preparing the submission.

The decision of the API Foundation is to be taken as final.

The respondent acknowledges and accepts that neither the API Foundation nor the API Trust Fund nor any Director, employee, contractor or agent of these organisations or of any associated organisation are liable individually or collectively for any direct or consequential loss or damages or any claims of any form arising from or out of this RFP process or any part of this process.

7. OTHER MATTERS

The API Foundation wishes to maintain an overall perspective on the statistics associated with the teaching and research in the area of power engineering. Participating universities will be asked to complete each year a survey document, similar to that completed for the EESA, IEAust Survey, and the first with this Request for Proposal.