



**ORIGINAL**  
Financial Proposal


**FEASIBILITY OF GEOTHERMAL ENERGY UTILIZATION  
FOR ELECTRIC POWER GENERATION IN JAMAICA**

**NOTE: DO NOT OPEN WITH THE TECHNICAL PROPOSAL**

May 11<sup>th</sup>, 2011

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CCCT, Torre C, Oficina C-409, Avenida Ernesto Blohm, Chuao, Caracas, Venezuela  
Teléfonos: 58 212 9598878 / 9597822, Fax: 58 212 9599761

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## **FORM FIN-1 FINANCIAL PROPOSAL SUBMISSION FORM**

Caracas, Venezuela, May 11, 2011

To: Petroleum Corporation of Jamaica  
36 Trafalgar Road, Kingston 10  
Jamaica W.I.

Dear Sirs:

We, the undersigned, offer to provide the consulting services for Feasibility of Geothermal Energy Utilization for Electric Power Generation in Jamaica MEM/PCJ/2011/04/081OG in accordance with your Request for Proposal dated Thursday April 14, 2011 and our Technical Proposal. Our attached Financial Proposal is for the sum of Twenty-Five Thousand Seven Hundred and Sixty US Dollars (**US\$ 125.760,00**). This amount is exclusive of the local taxes, which shall be identified during negotiations and shall be added to the above amount.

Our Financial Proposal shall be binding upon us subject to the modifications resulting from Contract negotiations, up to expiration of the validity period of the Proposal, i.e. before the date indicated in Paragraph Reference 1.12 of the Data Sheet.


This proposal is not considered and does not intend to pay any commissions and/or gratuities to agents relating to this Proposal and Contract execution, if we are awarded the Contract.

We understand you are not bound to accept any Proposal you receive.

We remain,


Yours sincerely,  
Authorized Signature [In full and initials]:

Name and Title of Signatory: Jose Soto Colmener - President  
Name of Firm: Procesos y Negocios Integrales, C.A. (PROYNCA)  
Address: CCCT, Torre C, Piso 4, Ofic. C-409, Chuao, Caracas, Venezuela

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## I. INTRODUCTION

This document is being submitted to Petroleum Corporation of Jamaica, hereinafter PCJ, a company based in Kingston – Jamaica, as a Financial Proposal related to the “Feasibility of Geothermal Energy Utilization for Electric Power Generation in Jamaica”.

## II. SCOPE OF WORK

Procesos y Negocios Integrales, C.A., hereinafter PROYNCA, is an engineering and consulting services company duly registered in Distrito Capital, Estado Miranda, Venezuela, and Petroleum Corporation of Jamaica is an energy corporation duly registered in Jamaica.


In the scope of this **Technical Proposal**, hereinafter the SERVICE, PROYNCA will develop the “Feasibility of Geothermal Energy Utilization for Electric Power Generation in Jamaica” at its offices in Venezuela, with a final visit to Jamaica to submit and present the results and final report of the study, in accordance with all terms of reference, scope and specifications set by PCJ in its invitation to tender document (**Section 5 – Terms of Reference**), and all terms and conditions set forth in the standard Lump Sum contract provided by PCJ as part of this bidding process (**Annex II - Consultant's Services: Lump - Sum Contract**).

## III. PCJ FORM FIN - 2 SUMMARY COSTS

The Total Financial Costs of our Proposal is for a sum of One Hundred Twenty-Five Thousand, Seven Hundred and Sixty US Dollars (**US\$ 125.760,00**).

Item	Costs			
	[USD # 1]	[USD # 2]	[USD # 3]	[Indicate Local Currency]
Total Costs of Financial Proposal	USD 125,760.00			

This amount does not included Local Taxes.


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#### IV. PCJ FORM FIN - 3 DETAIL OF SUMMARY OF COSTS

The Total Financial Costs of our Proposal is for a Lump Sum of One Hundred Twenty-Five Thousand, Seven Hundred and Sixty US Dollars (**US\$ 125,760,00**), detailed in Professional Fees and Reimbursable Expenses as follow:

Group of Activities (Phase) <sup>2</sup>	Description: <sup>3</sup>			
<b>PHASE I</b> Preliminary Geothermal Resources Assessment & Road Map Development  <b>PHASE II</b> Assessment of Geothermal Fluids Handling & Power Generation Facilities  <b>PROGRESS, FINAL REPORT AND PROGRESS PRESENTATION</b>	1. Review of information (Previous Studies, Existing and Conceptual Technologies, Jamaica Energy Demand, Pricing Structure, Electricity and non-electricity applications, Existing Legislation and Regulatory Framework, among others). 2. Preliminary assessment of the Geothermal Resources in Jamaica (Regional Geology, Maps, Prospective Regions, similarities in the Caribbean Region, etc.) 3. Road Map development of Geothermal Resources (including information , Exploration, Geothermal Resources Assessment, Development Scheme, Enviromental Impact Mitigation, Cost Estimation, etc.) 4. Assessment of Required Geothermal Fluids Handling and Power Generation Facilities.			
Cost component	Costs			
	[USD # 1]	[USD # 2]	[USD # 3]	[Indicate Local Currency]
Professional Fees	123,360.00			
Reimbursable Expenses	2,400.00			
Total	<b>125,760.00</b>			

The amount referred to Professional Fees is Lump Sum. Same for the amount referred to Reimbursable Expenses, with the premises of the number of trips Venezuela – Jamaica – Venezuela, and the number of professionals per trip, detailed in Section V of this proposal.

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## V. PCJ Form FIN - 4 Breakdown of Remuneration


The Professional remuneration in our Proposal is for the Lump Sum of One Hundred Twenty Three Thousand, Three Hundred and Sixty US Dollars (**US\$ 123.360,00**), detailed as follow:

Group of Activities (Phase): Phase I, Phase II and Progress, Final Report and Progress Presentation							
Name <sup>2</sup>	Position <sup>3</sup>	Staff-month Rate <sup>4</sup>	Input <sup>5</sup> (Staff-months)	USD # 1	USD # 2	USD # 3	Indicate Local Currency
Foreign Staff							
Gilberto Aldana	Project Coordinator	12,000.00	1,80	21,600.00			
		[Field]					
Raymundo Ronny	Geologist	12,000.00	1,75	21,000.00			
Benigno Sanchez	Project Engineer 1	11,200.00	2,25	25,200.00			
Myrna de Cressa	Project Engineer 2	9,920.00	3,00	29,760.00			
Larry Marquina	Project Engineer 3	8,800.00	2,55	22,440.00			
José Plaza	Drafter	4,800.00	0,70	3,360.00			
Local Staff							
		[Home]					
		[Field]					
Total Costs				123,360.00			

## VI. Form PROYNCA FIN – 5 Breakdown of Reimbursable Expenses

According to our best knowledge of the costs in Jamaica, the detail of the overall estimate of reimbursable expenses is being submitted in the table at the next page, prepared under the assumption that only two professionals are required to travel to Jamaica, two days, for the final presentation of study results.

This amount referred to Reimbursable Expenses is for the Lump Sum of Two Thousand and Four Hundred US Dollars (**US\$ 2,400.00**), according to the details in the next table.

 <b>PROYNCA</b> Procesos y Negocios Integrales	Feasibility of Geothermal Energy Utilization for Electric Power Generation in Jamaica <b>Financial Proposal</b>	<b>Proposal:</b> 010-CCS-2011 <b>Page:</b> 7 of 7 <b>Revision:</b> 0 <b>Date:</b> May 11, 2011
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EXPENSE DETAILS (By person)			AMOUNT
Day	City / Place	Description	USD
0	Venezuela	Round Trip Ticket Venezuela - Jamaica - Venezuela	900,00
1	Maiquetia - Venezuela	International Airport Tax in Maiquetia	70,00
1	Venezuela - Jamaica	Expenses during the day: trip/worked	60,00
1	Jamaica	Taxi Airport - PCJ	30,00
2	Jamaica	Expenses during the day worked/trip	60,00
2	Jamaica	Local taxis	20,00
2	Jamaica	Taxi PCJ - Airport	30,00
2	Jamaica	Airport Tax	30,00
<b>TOTAL</b>			<b>1.200,00</b>
<b>Number of Professional</b>			<b>2</b>
<b>Total Reimbursable Expenses Estimated</b>			<b>2.400,00</b>

This amount referred to Reimbursable Expenses (US\$ 2,400.00) is Lump Sum. In any case, PCJ reserves, in its sole discretion, the power to change the amount of these reimbursable expenses increasing or decreasing, depending on which PCJ decides to increase or decrease the number of trips and the number of professionals per trip.

## VII. PAYMENT PROCEDURE

PROYNCA will submit, by e-mail way, three invoices: First at a progress of the 35% of the study, second at a progress of the 70% of the study, and third at the end (100%) of the study, in US Dollars, per professional fees and approved expenses by PCJ. PCJ will validate the invoices and issue the payments within the first fifteen (15) days after the invoice reception.

The payments in U.S. Dollars shall be made through deposits or wire transfers on behalf of Procesos y Negocios Integrales, C.A. (PROYNCA) in an account to be opportunely provided, in a commercial bank in U.S.A.

On behalf of Procesos y Negocios Integrales, C.A.:

Jose Soto Colmener  
 PROYNCA Caracas / CEO  
 CCCT, Torre C, Piso 4, Oficina C-409  
 Chuao, Caracas, Venezuela  
 Phone: 58 – 212 – 959.8878  
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 E-mail: [jsoto@proynca.net](mailto:jsoto@proynca.net)