

CHM-ReEnFoCo Program  
Installation and Commissioning Services  
for Community Energy Resilience Hubs (CERH)  
CHM-RFP-2026-001  
Exhibit D – Bonds and Insurance Specifications

## Exhibit D

### BONDS AND INSURANCE SPECIFICATIONS

Request For Proposal  
CHM-RFP-2026-001  
for  
Installation and Commissioning Services  
for  
Community Energy Resilience Hubs (CERH)  
Cooperativa Hidroeléctrica de la Montaña

The selected Respondent shall, at its own expense, procure and maintain in full force and effect throughout the term of the Contract all insurance coverages required herein.

All policies shall be issued by insurers authorized to do business in the Commonwealth of Puerto Rico and with a minimum A.M. Best rating of B+ or better.

Insurance shall be maintained without interruption from the date of Notice to Proceed through final completion of the Work and any applicable warranty period, unless otherwise approved by CHM in writing.

#### 1. Required Insurance Coverages and Minimum Limits

The Contractor shall submit all required insurance policies and/or bonds, including all endorsements and agreements required under the Contract, to CHM for review and acceptance prior to the issuance of a Notice to Proceed or commencement of any Work.

##### 1.1. State Insurance Fund Workmen’s Compensation Insurance Policy

In accordance with the Workmen’s Compensation Act No. 45, to facilitate its acquisition, the CHM shall provide a letter to the successful Respondent addressed to the State Insurance Fund.

##### 1.2. Commercial General Liability

Coverage	Limit
I. Commercial General Liability:	\$2,000,000.00
a. General Aggregate	\$1,000,000.00

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Coverage	Limit
b. Products & Complete Operations	\$1,000,000.00
c. Personal Injury & Advertising	\$1,000,000.00
d. Fire Damage	\$100,000.00 (Any one Fire)
e. Medical Expense	\$10,000.00 (Any one person)
Employer's Liability Stop Gap:	
f. Bodily Injury by Accident	
i. Each Employee	\$1,000,000.00
ii. Each Accident	\$1,000,000.00
g. Bodily Injury by Disease	
i. Each Employee	\$1,000,000.00
ii. Each Accident	\$1,000,000.00

### 1.3. Comprehensive Automobile Liability

Coverage	Limit
Auto Liability:	\$1,000,000.00
Physical Damages	\$1,000,000.00
Medical Payments	\$10,000.00

The Commercial Auto cover must be applied to the following symbols:

- a. Liability Coverage -1
- b. Physical Damages – 2 and 8
- c. Hired – Borrowed Auto – 8
- d. Non-Owned Auto Liability – 9

### 1.4. Contractor's Pollution Liability

Limit - \$1,000,000

### 1.5. Umbrella

Limit - \$3,000,000

### 1.6. Builder's Risk

- a. Form for all risks including Difference in Conditions (DIC) and earthquake.
- b. 100% total finished cash value for all finished construction equipment and/or installation equipment.

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- c. The CHM, ReEnFoCo 2, COR3 and DOE shall be named as loss payees, as their respective interests may appear.

### 1.7. Payment and Performance Bond, Wage Payment Bond, and Labor Materials Payment Bond:

- a. Contractor must provide a Payment & Performance Bond 100% of the total cost of the project under contract.
- b. The surety must be authorized to do business in Puerto Rico.
- c. You must provide an endorsement on the Performance and Payment Bond to guarantee the payment of wages in accordance with applicable laws of the Government of Puerto Rico.
- d. Certificate of Authority, Power of Attorney and Power of Attorney License issued by the Commissioner of Insurance.

## 2. Endorsements

The policies to be obtained must contain the following endorsements including as additional insured the Cooperativa Hidroeléctrica de la Montaña (CHM), ReEnFoCo 2 LLC, Central Office for Recovery, Reconstruction and Resiliency (COR3), and the US Department of Energy (USDOE).

- a. Breach of warranty
- b. Waiver and / or Release of Subrogation
- c. Additional Insured Clause
- d. Hold Harmless Agreement
- e. 30 Days Cancellation Clause

## 3. Important Notice to Insurance and Surety Companies and their Representatives

All insurance companies and guarantors issuing policies or bonds under these conditions shall:

- a. Be authorized to do business within the Commonwealth of Puerto Rico and have the corresponding license issued by the Commissioner of Insurance.
- b. Maintain financial conditions consistent with a minimum A.M. Best rating of B+ or better.

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- c. Submit to the CHM a written certification as evidence of full payment of premiums by the Contractor. Mention each risk coverage premium separately.
- d. Avoid any request for cancellation by the contractor prior to the expiration date of the policy, without the consent of the CHM: Discuss any refund of unearned premium.
- e. Indicate in the appropriate place of all insurance policies and/or bonds, the full description of the project, work or service to be rendered.
- f. Not to make any amendments to insurance policies and bonds issued under the conditions mentioned above, unless approved by the CHM.
- g. To ensure that all insurance policies or bonds are issued to comply with all of our insurance conditions with respect to the period of coverage, type of risk coverage, as well as all limits, as specified, and also to eliminate those exclusions in accordance with our request.

#### 4. Evidence of Insurance Coverage of Each Subcontractor:

The successful Respondent, as the prime contractor, has the duty to require each of the subcontractors or sub-contractors to maintain in force all insurance policies and/or bonds necessary to cover their individual participation in the risk or risks related to the subcontracted work or service to be rendered.

The Contractor shall remain fully responsible for ensuring compliance with these insurance and bonding requirements by all subcontractors and sub-subcontractors.

Prior to commencing work or receiving written notice to proceed with such work or being authorized to commence work, the successful prime contractor has the responsibility to provide the CHM with evidence to the effect that all insurance and/or bonds required under the special conditions or required under the sub-contract to each of the sub-contractors or sub-sub-contractors are current and duly approved by the CHM.

All insurance policies shall remain in effect for the entire contractual period, so that with any order of change and/or amendment resulting in alteration of the original project completion date or total original cost, the prime contractor shall take the necessary steps to request the insurer to include such changes in all related insurance policies and/or bonds and to submit evidence by appropriate endorsements with effective dates. Cancellations without consent are not accepted.

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The CHM reserves the right to stop any work or service under contract until the breach of these requirements has been remedied, so that any delay in the performance of the contract based on any breach of the insurance coverage requirements shall be deemed the sole responsibility of the Main Contractor.

## 5. Conflict or Difference

In the event of any conflict or difference in the description of coverage, limits, or insurance requirements, the provisions set forth in these Insurance and Bonding Specifications shall prevail over any other insurance-related requirements in the Contract Documents.