The paper was reviewed in light of the Northeast Maryland Waste Disposal Authority's experience in implementing the Southwest Resource Recovery Facility in Baltimore. There are a number of similarities in the criteria used for selection of the HPOWER system vendor and those used in selecting the vendor for the Southwest Project. The procurement process, project structure and final allocation of certain risks in the two projects are different; however, many basic issues were handled in similar fashions. The Authority's aim was similar to that of HPOWER: to place certain risks on a qualified full-service system vendor.

Both the Authority and HPOWER placed strong emphasis on the financial strength of potential system vendors and on experience in designing, building and operating a successful waste-to-energy facility in the initial qualification step. As with HPOWER, the Authority felt that these two criteria were of utmost importance in a full-service procurement. In addition, the "apples-to-apples" technical concept comparison was also considered important in the Southwest Facility procurement, but, again, was handled differently. The specifications for the "machine" were laid out in the Basis of Negotiation Document, and proposals and bids utilizing these specifications were submitted after the completion of simultaneous competitive negotiations. The basic contract principles were also laid out in the BON and clarified during the competitive negotiations.

A comparison of risk sharing described in the paper with that used in the structure of the Southwest Facility points up some significant differences, but that is to be expected, owning to different project structures. Risk assignment in the Southwest Project, which is being implemented under an owner/operator structure, is allocated by the definition of certain events which will allow for an adjustment in a "fixed" tipping fee. This "fixed" tipping fee automatically provides incentive for such items as construction completion, passing performance tests and meeting the various operational standards during the lifetime of the Facility.

The major value of the paper to agencies considering procurement activities, other than outlining the process used by HPOWER, is that the paper provides an excellent summary of the risk areas which must be explored by implementing agencies. Exhibits B and C are particularly valuable in so much as they identify the major issues which must be evaluated in selecting a full-service system vendor. These basic issues must then be fit into the particular procurement structure being utilized by the implementing agency; since, as has been pointed out in many sessions during this conference, each project is different and the general principles must be tailored to specific circumstances.