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Award

Testing, Storage, Supply and Delivery (Including provision of QA Documentation) of Drax Pulverised Fuel Ash

Magnox Limited (Ltd)

F15: Voluntary ex ante transparency notice

Notice identifier: 2021/S 000-004686

Procurement identifier (OCID): ocds-h6vhtk-0299bf

Published 9 March 2021, 10:59am

Section I: Contracting authority/entity

I.1) Name and addresses

Magnox Limited (Ltd)

Oldbury Technical Centre, Oldbury Naite, Thornbury

South Gloucestershire

BS35 1RQ

Email

suzanne.x.williams@magnoxsites.com

Country

United Kingdom

NUTS code

UK - United Kingdom

Internet address(es)

Main address

<https://www.gov.uk/government/organisations/magnox-ltd>

I.4) Type of the contracting authority

Ministry or any other national or federal authority

I.5) Main activity

General public services

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Testing, Storage, Supply and Delivery (Including provision of QA Documentation) of Drax Pulverised Fuel Ash

II.1.2) Main CPV code

- 44100000 - Construction materials and associated items

II.1.3) Type of contract

Supplies

II.1.4) Short description

Magnox Ltd is a wholly-owned subsidiary of the Nuclear Decommissioning Authority (the "NDA").

Magnox Ltd is responsible for the safe and secure operation and clean-up of 12 nuclear sites around the UK on behalf of the Nuclear Decommissioning Authority.

The contract will be collaborative across the NDA Estate, providing the following sites with access to the agreement:

o Magnox Limited

o Sellafield Limited - a wholly owned subsidiary of NDA from 1 April 2016.

o Dounreay Site Restoration Limited (DSRL) - a Site Licence Company under a Parent Body Organisation (private sector consortium) model: Cavendish Dounreay Partnership Ltd (Cavendish Nuclear, CH2M Hill, URS).

As Magnox Ltd has the largest requirement, they shall be the Contracting Authority. Both Sellafield Ltd and DSRL will gain access to the contract, via a joining agreement.

II.1.6) Information about lots

This contract is divided into lots: No

II.1.7) Total value of the procurement (excluding VAT)

Value excluding VAT: £1,301,608

II.2) Description

II.2.3) Place of performance

NUTS codes

- UK - United Kingdom

Main site or place of performance

Lead Contracting Authority Registered Office: Magnox Limited, Oldbury Technical Centre , Oldbury Naite, Thornbury, South Gloucestershire, BS35 1RQ

Participating Entity Registered Office: Sellafield Limited Seascale, Cumbria, CA20 1PG

Participating Entity Registered Office: Dounreay Site Restoration Limited , Thurso, Caithness, KW14 7TZ

II.2.4) Description of the procurement

PFA (Pulverised Fuel Ash) is a bi-product of burning pulverised coals in coal-fired electricity power stations and is used to encapsulate ILW. Power Minerals Limited (PML) are the only provider of PFA from Drax which meets both BS EN 450-1:20126 and the SL Technical Specification for cement powders. Drax power station will cease burning coal in March 2021 as the UK moves away from coal-fired electricity. As each Participating Entity works on the scientific development of a replacement for PFA, a stockpile is required to ensure that the encapsulation process can continue.

The following sites require access to Drax PFA:

- Sellafield
- Magnox
- Dounreay

Total Quantity or Scope

Each Participating Entity is at varying stages regarding moving away from Drax PFA. The requirement for each site's stockpiling (in Tonnes) is as follows:

- o Magnox Limited - 700T
- o Sellafield Limited - 300T
- o Dounreay Site Restoration Limited - 500T

Start date: 01/04/2021

End date (up to): 31/03/2028

The proposed end dates for each site is as follows:

- o Magnox Limited - up to 31/03/2028
- o Sellafield Limited - up to 31/03/2022
- o Dounreay Site Restoration Limited - up to 31/03/2027

The proposed contract will stockpile PFA at a dry store facility in Hixon. The contract will include break clauses with 6 months written notice to exit if Drax PFA is no longer required by the sites as a result of successful trials for alternatives to PFA.

Hixon Dry Store Facility:

There are no on-site storage facilities at any of the Participating Entity's sites therefore storage will be provided by the supplier. All sites will receive bulk deliveries of PFA, to avoid handling PFA from bag to a silo due to H&S and relevant skills issues.

Bulk Storage Bags:

All Drax PFA shall be 'double-bagged' in white woven polypropylene bags that are unprinted. 'Double-bagging' reduces the ability for moisture build-up within the bags.

The size of all bags shall be 100x100x200cm with white top loading and bottom discharge spout.

Testing:

The PFA will be tested against both BSEN standards and the Sellafield Ltd specification throughout its lifecycle.

II.2.5) Award criteria

Quality criterion - Name: N/A / Weighting: 0%

Cost criterion - Name: N/A / Weighting: 0%

II.2.11) Information about options

Options: No

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Negotiated without a prior call for competition

- The works, supplies or services can be provided only by a particular economic operator for the following reason:
 - absence of competition for technical reasons

Explanation:

Magnox Limited is intending to award the contract to Power Minerals Ltd using the negotiated procedure without prior publication, pursuant to Regulation 32(2)(b)(ii) of the Public Contracts Regulations 2015.

Magnox Ltd considers that there are no other suppliers in the market who are able to offer DRAX PFA BSEN 450-1 and associated storage, testing and delivery. No reasonable alternative or substitute exists and the absence of competition is not the result of an artificial narrowing down of the parameters of the procurement.

Use of Drax PFA underpins Magnox Ltd, Sellafield Ltd and Dounreay Ltd waste encapsulation process and this award covers the last time buy for stockpiling Drax PFA. Magnox Ltd is therefore proposing to award an agreement for up to 7 year to Power Minerals Ltd, which will allow enough time to complete research and development on other replacement sources for encapsulating ILW waste.

The values quoted within this VEAT notice are estimates.

IV.1.8) Information about the Government Procurement Agreement (GPA)

The procurement is covered by the Government Procurement Agreement: Yes

Section V. Award of contract/concession

A contract/lot is awarded: Yes

V.2) Award of contract/concession

V.2.1) Date of conclusion of the contract

8 March 2021

V.2.2) Information about tenders

The contract has been awarded to a group of economic operators: No

V.2.3) Name and address of the contractor/concessionaire

Power Minerals Ltd

Drax Power Station, Selby

North Yorkshire

YO8 8PH

Country

United Kingdom

NUTS code

- UK - United Kingdom

The contractor/concessionaire is an SME

No

V.2.4) Information on value of contract/lot/concession (excluding VAT)

Total value of the contract/lot/concession: £1,301,608

Section VI. Complementary information

VI.4) Procedures for review

VI.4.1) Review body

High Court of England and Wales

London

Country

United Kingdom