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Award

Private Wire - Power Purchase Agreements

Scottish Water

F15: Voluntary ex ante transparency notice

Notice identifier: 2024/S 000-006182

Procurement identifier (OCID): ocds-h6vhtk-043d00

Published 26 February 2024, 7:05pm

Section I: Contracting authority/entity

I.1) Name and addresses

Scottish Water

6 Buchanan Gate

Glasgow

G33 6FB

Email

iain.masterson@scottishwater.co.uk

Telephone

+44 1414830215

Country

United Kingdom

Region code

UKM - Scotland

Internet address(es)

Main address

<https://www.scottishwater.co.uk/>

Buyer's address

<https://www.scottishwater.co.uk/>

I.6) Main activity

Water

Section II: Object**II.1) Scope of the procurement****II.1.1) Title**

Private Wire - Power Purchase Agreements

II.1.2) Main CPV code

- 09310000 - Electricity

II.1.3) Type of contract

Supplies

II.1.4) Short description

Power Purchase Agreements (PPAs) for power provided to Stirling WWTW and Dalmarnock WWTW via private wire from onsite CHP units. The CHP units are being sold by Scottish Water Horizons Limited to Noventa - Helix Heat & Power I Ltd and Noventa - Helix Heat & Power II Ltd. As SW has an ongoing requirement for onsite power generation, PPAs will be placed with the new asset owners. The PPAs will be in place until 2040 with extension options to 2049.

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: £54,000,000

II.2) Description

II.2.3) Place of performance

NUTS codes

- UKM - Scotland

Main site or place of performance

SCOTLAND

II.2.4) Description of the procurement

Power Purchase Agreements (PPAs) for power provided to Stirling WWTW and Dalmarnock WWTW via private wire from onsite CHP units. The CHP units are being sold by Scottish Water Horizons Limited to Noventa - Helix Heat & Power I Ltd and Noventa - Helix Heat & Power II Ltd. As SW has an ongoing requirement for onsite power generation, PPAs will be placed with the new asset owners. The PPAs will be in place until 2040 with extension options to 2049.

II.2.11) Information about options

Options: No

II.2.13) Information about European Union Funds

The procurement is related to a project and/or programme financed by European Union funds: 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:
 - protection of exclusive rights, including intellectual property rights

Explanation:

Scottish Water Horizons Ltd, a wholly-owned subsidiary of Scottish Water, owns and operates CHP plants on two Scottish Water sites (Stirling WWTW and Dalmarnock WWTW). These units produce power which is sold to Scottish Water by Scottish Water Horizons Ltd under an internal Group financial agreement. Scottish Water Horizons is in the process of selling the CHP units to Noventa - Helix Heat & Power I Ltd (Stirling WWTW) and Noventa - Helix Heat & Power II Ltd (Dalmarnock WWTW). Stirling WWTW and Dalmarnock WWTW have an ongoing requirement for the onsite power generated by these units. As these units provide power via a private wire it is only possible to purchase this power from the asset owner. There is no reasonable alternative to the provision of onsite power and so the asset owner of the existing CHP units has the exclusive right to supply power via the private wire. Scottish Water intends to contract with Noventa for the remaining 17 years of the initial PPAs in order to secure access to the onsite power generation up to 2040 (or 2049 including extension options). The advertised value is based on current energy costs and does not include forecast inflation. The contract price paid will be appropriately indexed over time.

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

25 February 2024

V.2.2) Information about tenders

The contract has been awarded to a group of economic operators: Yes

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

Noventa - Helix Heat & Power I Limited

Third Floor, Suite 2, Ink Building, 24 Douglas Street

Glasgow

G2 7NQ

Country

United Kingdom

NUTS code

- UKM - Scotland

National registration number

SC795783

The contractor/concessionaire is an SME

Yes

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

Noventa - Helix Heat & Power II Limited

Third Floor, Suite 2, Ink Building, 24 Douglas Street

Glasgow

G2 7NQ

Country

United Kingdom

NUTS code

- UKM - Scotland

National registration number

SC795782

The contractor/concessionaire is an SME

Yes

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

Initial estimated total value of the contract/lot/concession: £54,000,000

Total value of the contract/lot/concession: £54,000,000

Section VI. Complementary information

VI.3) Additional information

To view this notice, please click here:

<https://scottishwater.delta-esourcing.com/delta/viewNotice.html?noticeId=836757597>

GO Reference: GO-2024226-PRO-25364788

VI.4) Procedures for review

VI.4.1) Review body

Glasgow Sheriff Court

1 Carlton Place

Glasgow

G5 9TW

Telephone

+44 1414298888

Country

United Kingdom

VI.4.2) Body responsible for mediation procedures

Scottish Water

6 Buchanan Gate

Glasgow

G33 6FB

Telephone

+44 8000778778

Country

United Kingdom

VI.4.4) Service from which information about the review procedure may be obtained

Scottish Water

6 Buchanan Gate

Glasgow

G33 6FB

Telephone

+44 8000778778

Country

United Kingdom