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Contract

Aberdeen Hydrogen Hub Strategic Partnership

Aberdeen City Council
Aberdeenshire Council

F03: Contract award notice

Notice identifier: 2022/S 000-009416

Procurement identifier (OCID): ocds-h6vhtk-02bede

Published 7 April 2022, 4:51pm

Section I: Contracting authority

I.1) Name and addresses

Aberdeen City Council

Woodhill House, Westburn Road

Aberdeen

AB16 5GB

Email

CPSSprocurement@aberdeencity.gov.uk

Country

United Kingdom

NUTS code

UKM50 - Aberdeen City and Aberdeenshire

Internet address(es)

Main address

<http://www.aberdeencity.gov.uk>

Buyer's address

https://www.publiccontractsscotland.gov.uk/search/Search_AuthProfile.aspx?ID=AA00231

I.1) Name and addresses

Aberdeenshire Council

Woodhill House, Westburn Road

Aberdeen

AB16 5GB

Email

cpssprocurement@aberdeencity.gov.uk

Telephone

+44 1467530600

Country

United Kingdom

NUTS code

UKM50 - Aberdeen City and Aberdeenshire

Internet address(es)

Main address

<http://www.aberdeenshire.gov.uk>

Buyer's address

https://www.publiccontractsscotland.gov.uk/search/Search_AuthProfile.aspx?ID=AA00232

I.2) Information about joint procurement

The contract involves joint procurement

I.4) Type of the contracting authority

Regional or local authority

I.5) Main activity

General public services

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Aberdeen Hydrogen Hub Strategic Partnership

Reference number

FNRV 7437

II.1.2) Main CPV code

- 24111600 - Hydrogen

II.1.3) Type of contract

Supplies

II.1.4) Short description

Procurement Purpose

Aberdeen City Council (the "Council") is seeking to procure an experienced, dynamic and innovative strategic partner to form a long-term joint venture with the Council (the "Aberdeen Hydrogen Hub Strategic Partnership"), in order to secure substantial low carbon infrastructure investment and delivery capability in support of the City's Hydrogen Hub and Net Zero Vision. As part of its role in the Aberdeen Hydrogen Hub Strategic Partnership, the strategic partner will be expected to provide finance and investment for the opportunity and competent resources including scoping, design, procurement, project management, implementation, delivery, operation, maintenance, commercial support and technical expertise. Phase 1 will include the procurement of a hydrogen production facility for public sector consumption of a resilient, cost effective supply of green hydrogen on a commercial basis to support both existing and proposed transport projects. Phase 2 envisages supply to larger volume utilisation hydrogen vehicles such as rail, freight and marine. Phase 3 will involve the supply of hydrogen for heat and export.

The joint venture will enter into a Hydrogen Supply Framework Agreement with the Council for an initial period of 10 years with two subsequent optional extensions of 5 years each. This agreement will set out the terms upon which the joint venture will supply hydrogen to the Council during Phase 1, and develop proposals for delivery of hydrogen to the Council during Phases 2 and 3. The Hydrogen Supply Framework Agreement will also set out the terms upon which Non ACC Contracting Authorities will be permitted to call-off hydrogen supplies under the framework agreement.

The Council has agreed in principle to fund 19.4 million GDP from its Capital Programme as investment in the Hydrogen Energy Partnership. The form of investment by the Council into the joint venture will be the subject of dialogue and subject to meeting subsidy control requirements.

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: £215,000,000

II.2) Description

II.2.2) Additional CPV code(s)

- 09120000 - Gaseous fuels
- 24111000 - Hydrogen, argon, rare gases, nitrogen and oxygen
- 31154000 - Uninterruptible power supplies
- 31156000 - Interruptible power supplies
- 31161800 - Parts of gas generators
- 31600000 - Electrical equipment and apparatus
- 34000000 - Transport equipment and auxiliary products to transportation
- 39341000 - Gas pressure equipment
- 42113390 - Fuel-gas systems
- 42124340 - Parts of gas compressors
- 42511000 - Heat-exchange units and machinery for liquefying air or other gases
- 42511200 - Machinery for liquefying air or other gases
- 42980000 - Gas generators
- 44100000 - Construction materials and associated items
- 44161100 - Gas pipelines
- 44161110 - Gas-distribution network

- 44190000 - Miscellaneous construction materials
- 44610000 - Tanks, reservoirs, containers and pressure vessels
- 44611400 - Storage tanks
- 44612000 - Liquefied-gas containers
- 44612100 - Gas cylinders
- 44612200 - Gas tanks
- 45000000 - Construction work
- 45100000 - Site preparation work
- 45111291 - Site-development work
- 45223720 - Petrol/gas stations construction work
- 45231223 - Gas distribution ancillary work
- 45254200 - Construction work for manufacturing plant
- 45255800 - Gas-production plant construction work
- 51100000 - Installation services of electrical and mechanical equipment
- 51111200 - Installation services of generators
- 51111300 - Installation services of transformers
- 51112000 - Installation services of electricity distribution and control equipment
- 65200000 - Gas distribution and related services
- 65320000 - Operation of electrical installations
- 50532300 - Repair and maintenance services of generators
- 63121110 - Gas storage services
- 63712600 - Vehicle refuelling services
- 71242000 - Project and design preparation, estimation of costs
- 71314000 - Energy and related services
- 71356000 - Technical services

II.2.3) Place of performance

NUTS codes

- UKM50 - Aberdeen City and Aberdeenshire

Main site or place of performance

Aberdeen City area

II.2.4) Description of the procurement

The Council is seeking to procure an experienced, dynamic and innovative strategic partner to form a long-term joint venture with the Council (the "Aberdeen Hydrogen Hub Strategic Partnership"), in order to secure substantial low carbon infrastructure investment and delivery capability in support of the City's Hydrogen Hub and Net Zero Vision. As part of its role in the Aberdeen Hydrogen Hub Strategic Partnership, the strategic partner will be expected to provide finance and investment for the opportunity and competent resources including scoping, design, procurement, project management, implementation, delivery, operation, maintenance, commercial support and technical expertise. Phase 1 will include the procurement of a hydrogen production facility for public sector consumption of a resilient, cost effective supply of green hydrogen on a commercial basis to support both existing and proposed transport projects. Phase 2 envisages supply to larger volume utilisation hydrogen vehicles such as rail, freight and marine. Phase 3 will involve the supply of hydrogen for heat and export. The joint venture will enter into a Hydrogen Supply Framework Agreement with the Council. This agreement will set out the terms upon which the joint venture will supply hydrogen to the Council during Phase 1, and develop proposals for delivery of hydrogen to the Council during Phases 2 and 3. The term of the Hydrogen Supply Framework will be for an initial period of 10 years with two subsequent optional extensions of 5 years each. The Hydrogen Supply Framework Agreement will also set out the terms upon which Non-ACC Contracting Authorities will be permitted to call-off hydrogen supplies under the framework agreement. Non ACC contracting authorities will be permitted to call-off hydrogen supplies under the Hydrogen Supply Framework for a period of 8 years from the point at which the hydrogen production facility begins producing hydrogen (currently anticipated to be summer 2024). The Council considers that this is the minimum period which is required to allow the development of a robust business case which will support the development of the project through Phases 1 and 2 and into Phase 3. It is also anticipated that the strategic partner will be willing to work with a broad range of organisations, including those working in Aberdeen's community, energy and sustainability sectors to facilitate the delivery of low carbon energy projects on a city-wide and, potentially, regional basis. It is expected that the Aberdeen Hydrogen Hub Strategic Partnership will comprise a joint venture company between the strategic partner and the Council. The nature of the joint venture and structure of the Council's investment into the joint venture will be discussed with bidders during dialogue. The Council has agreed in principle to fund 19.4 million GDP from its Capital Programme as investment in the Aberdeen Hydrogen Hub Strategic Partnership.

The form of investment by the Council into the joint venture will be the subject of dialogue and subject to subsidy control requirements. The Aberdeen Hydrogen Hub Strategic Partnership will be required to procure the design, build, operation and maintenance of a new green hydrogen production facility together with associated refuelling, distribution and transportation infrastructure within the Council's boundaries or within close proximity thereto. The Council envisages that its strategic partner will bring a wealth of commercial expertise to the table with a view to contributing towards economic growth and the development of robust supply chains and wider employment opportunities.

II.2.5) Award criteria

Quality criterion - Name: Legal Submission / Weighting: 20

Quality criterion - Name: Robustness, Deliverability & Attractiveness of Joint Venture Business Plan / Weighting: 50

Quality criterion - Name: Supplier Development / Training and Skills / Weighting: 7.5

Quality criterion - Name: Community Benefits Delivery Plan / Weighting: 7.5

Price - Weighting: 15

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

II.2.14) Additional information

the Council expects to play a role in delivering Hydrogen Energy, and anticipates this may include the integration of low carbon energy related assets. these could include Hydrogen production, refueling stations, Council land and buildings to deliver projects. The Council will also scale up demand through vehicle replacements, district heat, obtain stakeholder support, invest in key assets.

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Competitive dialogue

IV.1.3) Information about a framework agreement or a dynamic purchasing system

The procurement involves the establishment of a framework agreement

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

The procurement is covered by the Government Procurement Agreement: Yes

IV.2) Administrative information

IV.2.1) Previous publication concerning this procedure

Notice number: [2021/S 000-014187](#)

Section V. Award of contract

Contract No

000-FNRV7437

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

11 March 2022

V.2.2) Information about tenders

Number of tenders received: 2

Number of tenders received from SMEs: 0

Number of tenders received from tenderers from other EU Member States: 0

Number of tenders received from tenderers from non-EU Member States: 2

Number of tenders received by electronic means: 2

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

V.2.3) Name and address of the contractor

BP

1 St James Sq

London

SW1Y4PD

Telephone

+44 7867462449

Country

United Kingdom

NUTS code

- UKI - London

The contractor is an SME

No

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

Initial estimated total value of the contract/lot: £215,000,000

Total value of the contract/lot: £215,000,000

Section VI. Complementary information

VI.3) Additional information

With the agreement of Aberdeen City Council (ACC), Non-ACC Contracting Authorities will be entitled to call-off hydrogen supplies under the Hydrogen Supply Framework

Agreement in order to facilitate the future development of wider public sector projects.

Non-ACC contracting authorities means Aberdeenshire Council, Highland Council, Moray Council, Robert Gordon University, North East Scotland College, NHS Grampian, Scottish Water, Angus Council, NatureScot, Scottish Environmental Protection Agency and other Scottish contracting authorities, or their agents. These include, but are not limited to, the Scottish Ministers (including Agencies), Scottish Non-Departmental Public Bodies, offices in the Scottish Administration which are not ministerial offices, cross- border public authorities within the meaning of section 88(5) of the Scotland Act 1998, the Scotland Office, the Scottish Parliamentary Corporate Body, councils constituted under section 2 of the Local Government etc. (Scotland) Act 1994, Scottish Fire & Rescue Service, the Scottish Police Authority, Scottish health boards or special health boards, all NHS Scotland, The Integrated Joint Boards established further to the Public Bodies (Joint Working) Act 2014, bodies registered as social landlords under the Housing (Scotland) Act 2001, any public body established by or under the Scotland Act 1998 or any Act of the Scottish Parliament, any association of or formed by one or more of the foregoing, bodies financed wholly or mainly by one or more of the foregoing, bodies subject to management supervision by one or more of the foregoing and bodies more than half of the board of directors or members of which, or, in the case of a group of individuals, more than half of those individuals, being appointed by one or more of the foregoing. Information about Scottish Public Bodies is available at: <https://www.gov.scot/policies/public-bodies/>

(SC Ref:689623)

VI.4) Procedures for review

VI.4.1) Review body

Aberdeen Sheriff Court

Castle Street

Aberdeen

AB10 1WP

Telephone

+44 1224657200

Country

United Kingdom

