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Planning Anaerobic Digestion Project

LANCASHIRE RENEWABLES LIMITED

UK2: Preliminary market engagement notice - Procurement Act 2023 - <u>view information about notice types</u> Notice identifier: 2025/S 000-013167 Procurement identifier (OCID): ocds-h6vhtk-04fd87 Published 4 April 2025, 3:23pm

Scope

Description

The works in scope is the supply, installation, commissioning and acceptance testing of new source-separated food waste pre-treatment technologies, new reject handling technologies, and the reinstatement of existing technologies ("Anaerobic Digestion Project").

Lancashire Renewables Limited (LRL) was established for the operation and management of two central waste treatment facilities. LRL's key objectives are to receive, treat and transport contract waste in accordance with the targets and service requirements set out in the Service Level Agreement between the company and its majority shareholder, Lancashire County Council.

Each of LRL's two waste treatment facilities is designed to process and handle various municipal waste types arranged and supplied by Lancashire County Council and Blackpool Council. From April 2026, this means that source separated food waste from Lancashire's Households will be transported for processing into LRL's site based at Farington, Leyland (PR26 6TB).

Until 2014, LRL had an AD process in operation. The inputs came from residual 'black bin'

household waste with organics separated via rotating trommels and metal separation. Waste was then fed into pre-treatment technologies before the organic soup produced was fed into the anaerobic digestion process. Gas produced from the anaerobic digestion process was pre-treated to remove hydrogen sulphide and other undesirable compounds before being fed into a gas storage vessel prior to use by the power generation infrastructure. The biomethane supplied two MWM V12 engines with fuel to generate electricity which was then used on-site rather than exported into the grid.

The historical AD pre-treatment process was inefficient and expensive to run. As a result, the process ceased to operate in 2014 and the associated areas were put in a state of preservation and mothballed.

As household source-separated food waste collections in England are mandatory from April 2026, LRL is looking to recommence a new AD process at its site based at:

Lancashire Renewables Limited

Farington Waste Recovery Park

Sustainability Way

Leyland

PR26 6TB

The works are inclusive of the supply, installation, commissioning, process integration and acceptance testing of the new source-separated food waste pre-treatment technologies, new reject handling technologies, and the reinstatement of existing technologies already present at the Client's waste recovery park located at PR26 6TB. The works must be complete, commissioned, and ready for handover no later than 30/06/2026.

In carrying out the works, the Contractor will be required to undertake the following:

- Procurement and supply of AD assets
- Installation & integration
- Commissioning
- Acceptance testing

The value of the works is below-threshold. LRL anticipates undertaking a restricted (invitation only) procurement procedure for the anaerobic digestion project. The tender would likely be issued in mid-June 2025. Ideally, LRL will award the contract no later than the

beginning of September 2025. The works must be complete, commissioned, and ready for handover no later than 30/06/2026.

Preliminary market engagement will help inform LRL of the capability and interest within the relevant supply market, i.e. contractors who have either reconfigured and upgraded existing AD plants or who have built AD plants in full and have the capability of undertaking LRL's project.

The primary objectives of this preliminary market engagement are therefore:

• To support LRL in determining which additional contractor to invite to the tender exercise. For transparency, LRL has already shortlisted one contractor (Marches Biogas Limited, company number 06855656) to invite to tender. Marches Biogas has undertaken a detailed design review for LRL concerning the new AD plant. Documents and design produced by this work will be used in the project's technical scope. Marches Biogas has had no involvement in the drafting of LRL's other tender documentation (contract excluding technical scope that may be included in the project, other tender documents including tender evaluation criteria and weightings). Marches Biogas will not be involved in the evaluation or discussion of any responses to this questionnaire or any bids received by other Contractors invited to tender. The decision regarding which additional contractor to invite to tender will be based on the quality of information provided by interested contractors in response to LRL's preliminary market engagement questionnaire, as well as the capability and capacity of the interested parties as established through this process. LRL will invite a maximum of two contractors to tender.

• To gather any other information relevant to the delivery of LRL's tender project, such as technical details regarding LRL's project scope, following discussion with interested parties who return the preliminary market engagement questionnaire and undertake site visits per the next point.

• To invite up to two questionnaire responders to visit LRL's site based at PR26 6TB to discuss the project. This includes viewing the new technologies sought by LRL as outlined in the process flow diagram, viewing LRL's current AD technology that will be remaining in situ, viewing the reception hall outlined in the diagram below, and generally a chance for the contractor to ask questions to aid their understanding of the project and confirm their interest in the tender.

Please see the details further below regarding the engagement process.

Total value (estimated)

- £2,520,000 excluding VAT
- £3,024,000 including VAT

Below the relevant threshold

Contract dates (estimated)

- 4 August 2025 to 30 June 2026
- 10 months, 28 days

Main procurement category

Works

CPV classifications

• 45253700 - Digestion plant construction work

Contract locations

• UKD45 - Mid Lancashire

Engagement

Engagement deadline

2 May 2025

Engagement process description

Note - questionnaires must be returned by the above date.

Interested organisations are invited to:

- Register on LRL's e-tender portal (<u>https://www.the-chest.org.uk/</u>)

- Navigate to the market engagement project (under current opportunities - choose organisation 'Lancashire Renewables Limited' in the "narrow your results" filter box to bring up the project)

- Express interest in the opportunity, following which you will receive an automated email with a link to the project documents. An NDA should be visible on the portal when you follow the link.

- Review, sign and return the NDA either via the portal or by email, following which LRL will issue to you the market engagement questionnaire. The questionnaire contains more detail concerning the project background and sourcing approach, an outline plant process description and process flow diagram, and the questionnaire requiring your response.

- Return your completed questionnaire on the portal or via email by the closing date of 02/05/2025.

LRL intends to invite up to two questionnaire responders to its site (PR26 6TB) to engage in open discussion and present their capabilities and ideas in support of the delivery of the LRL's tender project. The dates reserved for site visits are 14/05/2025 and 15/05/2025. Shortly following the site visit, LRL will notify the contractor as to whether they will be invited to the tender process scheduled June 2025.

If LRL does not receive adequate responses to the preliminary market engagement questionnaire, it may award the contract directly without competition. In this context, "adequate" means at least one response to the market engagement questionnaire and a further engagement meeting that demonstrates good capability and capacity to meet the scope of LRL's project.

Participation

Particular suitability

Small and medium-sized enterprises (SME)

Contracting authority

LANCASHIRE RENEWABLES LIMITED

- Companies House: 05881147
- Public Procurement Organisation Number: PYPB-7495-RHWR

Environmental Education Centre, Farington Waste Recovery Park, Sustainability Way

Leyland

PR26 6TB

United Kingdom

Email: procurement@lancashirerenewables.co.uk

Website: https://www.lancashirerenewables.co.uk/

Region: UKD45 - Mid Lancashire

Organisation type: Public authority - sub-central government