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Tender

## **Supply of Smart Water Meters; Goods & Services**

THAMES WATER UTILITIES LIMITED

F05: Contract notice – utilities

Notice identifier: 2023/S 000-019418

Procurement identifier (OCID): ocds-h6vhtk-03dfb1

Published 7 July 2023, 10:43am

### **Section I: Contracting entity**

#### **I.1) Name and addresses**

THAMES WATER UTILITIES LIMITED

Reading

RG18DB

#### **Contact**

Thames Water

#### **Email**

[procurement.supportcentre@thameswater.co.uk](mailto:procurement.supportcentre@thameswater.co.uk)

#### **Country**

United Kingdom

#### **Region code**

UKJ11 - Berkshire

## **Companies House**

02366661

### **Internet address(es)**

Main address

[www.thameswater.co.uk](http://www.thameswater.co.uk)

## **I.3) Communication**

Access to the procurement documents is restricted. Further information can be obtained at

[www.thameswater.co.uk/procurement](http://www.thameswater.co.uk/procurement)

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

[www.thameswater.co.uk/procurement](http://www.thameswater.co.uk/procurement)

## **I.6) Main activity**

Water

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## **Section II: Object**

### **II.1) Scope of the procurement**

#### **II.1.1) Title**

Supply of Smart Water Meters; Goods & Services

Reference number

FA1763

#### **II.1.2) Main CPV code**

- 38421100 - Water meters

#### **II.1.3) Type of contract**

Supplies

#### **II.1.4) Short description**

The supply of Smart Water Meters (SWM) including Local Communication Equipment (LCE) and Head End Systems (HES) to support collection of measurement data and meter events over LPWA networks employing NB-IoT (Narrow Band Internet of Things) for eventual submission to Thames Water applications.

The estimated gross value of this contract is £181.8 million broken down by each lot :

Lot Gross Value over 8 Year Term (ex-Vat)

Lot 1 (a) £133,346,309

Lot 1 (b) £48,499,826

#### **II.1.6) Information about lots**

This contract is divided into lots: Yes

Tenders may be submitted for all lots

Maximum number of lots that may be awarded to one tenderer: 2

The contracting authority reserves the right to award contracts combining the following lots or groups of lots:

The Framework is divided into two Lots, Lot 1a and Lot 1b, each Lot shall have a separate Primary Supplier. A tenderer that applies for both Lots and ranks top on both will be awarded a Framework for only one of the Lots, that being at the discretion of Thames Water and/or based on the tenderer's preference, the overall scores in each Lot and Thames Water business needs under that Lot. Contracts will be awarded based on the award criteria stated in the contract documents.

Where a Tenderer that applies for both Lots and is awarded a Framework as a Primary Supplier in one of the lots, that Primary Supplier may also be awarded a Framework as a Reserve supplier to the second Lot. Where a Reserve Supplier is awarded a Framework Agreement, they may be awarded contracts in cases where the Primary Supplier is unable to deliver or satisfy Thames Waters business needs.

#### **II.2) Description**

### **II.2.1) Title**

Supply of Concentric Smart Meters, NB-Iot Radio Modules (LCE) and associated Head End System

Lot No

1a

### **II.2.2) Additional CPV code(s)**

- 38421100 - Water meters
- 38550000 - Meters
- 65500000 - Meter reading service
- 72322000 - Data management services

### **II.2.3) Place of performance**

NUTS codes

- UKI - London
- UKJ - South East (England)

Main site or place of performance

Thames Valley & London

### **II.2.4) Description of the procurement**

The supply of Concentric Smart Water Meters (SWM) including Local Communication Equipment (LCE) and Head End System (HES) to support collection of meter data information (AMR/AMI) into Thames Waters Meter Data Management System (MDMS) enabling on going operational management of meters and LCE deployed over a NB-IoT LPWA network.

It is estimated that during the initial term up to 177,500 concentric meters of various sizes with an associated LCE (NB-IoT) and Head End service may be purchased at an estimated contract value of £18.5million over the initial three-year term and over the maximum term of the framework this could exceed £133.3 million.

### **II.2.5) Award criteria**

Price is not the only award criterion and all criteria are stated only in the procurement

documents

### **II.2.6) Estimated value**

Value excluding VAT: £133,000,000

### **II.2.7) Duration of the contract, framework agreement or dynamic purchasing system**

Duration in months

96

This contract is subject to renewal

Yes

Description of renewals

Thames Water envisages that the contract will be awarded for an initial term of 3 years with options to extend up to a maximum duration of 8 years with options to extend either on 1, 2, 3, 4 or 5 year increments

### **II.2.9) Information about the limits on the number of candidates to be invited**

Envisaged number of candidates: 6

Objective criteria for choosing the limited number of candidates:

To be able to undertake a competitive tender when determining the award of a supplier to each lot and to achieve contract award by December 2023

### **II.2.10) Information about variants**

Variants will be accepted: Yes

### **II.2.11) Information about options**

Options: Yes

Description of options

Any agreement awarded would be for an initial duration of 3 years, with options to extend either on 1,2,3,4 or 5 year increments up to a maximum overall term of 8 years. Any Call off contracts for services related to the Head End System (HES) to support collection of meter data information (AMR/AMI) into the Thames Water Meter Data Management System (MDMS) is required for the life time of the Smart Water Meters (SWM), which are estimated at between 10 and 12 years, this being the life of the Smart Water Meters. The call off contracts may therefore be required for the lifetime duration of assets following installation of the last SWM at the end of the 8-year framework term

#### **II.2.14) Additional information**

The business objective of this agreement during the initial term is defined by Green Economic Recovery (GER) funding made available to the Purchaser by Ofwat whose scope is for supply of 204,700 meters that are capable of connecting via Vodafone UK NB-IoT Network. All meters have to be installed and operational by March 2025. Additional meters may be funded through other Purchaser programs and asset management plans (AMP)

### **II.2) Description**

#### **II.2.1) Title**

Supply of In-Line Meters, NB-IoT Radio Modules (LCE) and associated Head End System

Lot No

1b

#### **II.2.2) Additional CPV code(s)**

- 38421100 - Water meters
- 38550000 - Meters
- 65500000 - Meter reading service
- 72322000 - Data management services

#### **II.2.3) Place of performance**

NUTS codes

- UKI - London
- UKJ - South East (England)

Main site or place of performance

Thames Valley & London

#### **II.2.4) Description of the procurement**

The supply of In-Line Smart Water Meters (SWM) including Local Communication Equipment (LCE) and Head End System (HES) to support collection of meter data information (AMR/AMI) into Thames Waters Meter Data Management System (MDMS) enabling on going operational management of meters and LCE deployed over a LPWA network employing NB-IoT.

It is estimated that during the initial term up to 26,500 in-line meters of various sizes with an associated LCE (NB-IoT) Head End service may be purchased at an estimated contract value of £6.7million over the initial contract term and over the maximum term of the framework this could exceed £48.5 million.

#### **II.2.5) Award criteria**

Price is not the only award criterion and all criteria are stated only in the procurement documents

#### **II.2.6) Estimated value**

Value excluding VAT: £48,500,000

#### **II.2.7) Duration of the contract, framework agreement or dynamic purchasing system**

Duration in months

96

This contract is subject to renewal

Yes

Description of renewals

Thames Water envisages that the contract will be awarded for an initial term of 3 years with options to extend up to a maximum duration of 8-years, with options to extend either on 1, 2, 3, 4 or 5 year increments

#### **II.2.9) Information about the limits on the number of candidates to be invited**

Envisaged number of candidates: 6

Objective criteria for choosing the limited number of candidates:

To be able to undertake a competitive tender when determining the award of a supplier to each lot and to achieve contract award by December 2023

#### **II.2.10) Information about variants**

Variants will be accepted: Yes

#### **II.2.11) Information about options**

Options: Yes

Description of options

Any agreement awarded would be for an initial duration of 3 years, with options to extend either on 1, 2, 3, 4 or 5 year increments up to a maximum overall term of 8 years. Any Call off contracts for services related to the Head End System (HES) to support collection of meter data information (AMR/AMI) into the Thames Water Meter Data Management System (MDMS) is required for the life time of the Smart Water Meters (SWM), which are estimated at between 10 and 12 years, this being the life of the Smart Water Meters. The call off contracts may therefore be required for the lifetime duration of assets following installation of the last SWM at the end of the 8-year framework term

#### **II.2.14) Additional information**

The business objective of this agreement during the initial term is defined by Green Economic Recovery (GER) funding made available to the Purchaser by Ofwat whose scope is for supply of 204,700 meters that are capable of connecting via Vodafone UK NB-IoT Network. All meters have to be installed and operational by March 2025. Additional meters may be funded through other Purchaser programs and Asset Management Plans (AMP)

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## **Section III. Legal, economic, financial and technical information**

### **III.1) Conditions for participation**

#### **III.1.1) Suitability to pursue the professional activity, including requirements relating to enrolment on professional or trade registers**

List and brief description of conditions

As detailed in the PQQ

#### **III.1.2) Economic and financial standing**

Selection criteria as stated in the procurement documents

#### **III.1.3) Technical and professional ability**

Selection criteria as stated in the procurement documents

#### **III.1.4) Objective rules and criteria for participation**

List and brief description of rules and criteria

As detailed in section VI.3 and the PQQ

#### **III.1.6) Deposits and guarantees required**

Bonds and/or parent company guarantees of performance and financial standing may be required

#### **III.1.7) Main financing conditions and payment arrangements and/or reference to the relevant provisions governing them**

Specified in Invitation to Negotiate Document

#### **III.1.8) Legal form to be taken by the group of economic operators to whom the contract is to be awarded**

Consortia may be required to form a legal entity prior to award

### **III.2) Conditions related to the contract**

#### **III.2.2) Contract performance conditions**

As detailed in the ITN

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## **Section IV. Procedure**

### **IV.1) Description**

#### **IV.1.1) Type of procedure**

Negotiated procedure with prior call for competition

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

The procurement involves the establishment of a framework agreement

Framework agreement with several operators

Envisaged maximum number of participants to the framework agreement: 2

In the case of framework agreements, provide justification for any duration exceeding 8 years:

Any agreement awarded would be for an initial duration of 3 years, with options to extend either on 1,2,3,4 or 5 year increments up to a maximum overall term of 8 years. Any Call off contracts for services related to the Head End System (HES) to support collection of meter data information (AMR/AMI) into the Thames Water Meter Data Management System (MDMS) is required for the life time of the Smart Water Meters (SWM), which are estimated at between 10 and 12 years, this being the life of the Smart Water Meters. The call off contracts may therefore be required for the lifetime duration of assets following installation of the last SWM at the end of the 8-year framework term

#### **IV.1.4) Information about reduction of the number of solutions or tenders during negotiation or dialogue**

Recourse to staged procedure to gradually reduce the number of solutions to be discussed or tenders to be negotiated

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

The procurement is covered by the Government Procurement Agreement: No

### **IV.2) Administrative information**

#### **IV.2.2) Time limit for receipt of tenders or requests to participate**

Date

28 July 2023

Local time

12:00pm

**IV.2.4) Languages in which tenders or requests to participate may be submitted**

English

**IV.2.6) Minimum time frame during which the tenderer must maintain the tender**

Duration in months: 9 (from the date stated for receipt of tender)

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**Section VI. Complementary information**

**VI.1) Information about recurrence**

This is a recurrent procurement: Yes

Estimated timing for further notices to be published: 3-8 years

**VI.2) Information about electronic workflows**

Electronic ordering will be used

Electronic invoicing will be accepted

Electronic payment will be used

**VI.3) Additional information**

All suppliers who wish to respond to this contract notice must request a pre-qualification questionnaire (PQQ) by using the web link in

Section I.3 ([www.thameswater.co.uk/procurement](http://www.thameswater.co.uk/procurement))

From your response to the link in Section I.3 or above, Thames Water's Procurement Support Centre will send you an email providing login details for our eSourcing system (i.e. IASTA Smartsource). To complete the PQQ you will need to login to IASTA Smartsource.

If the project requires it, you will receive an additional and separate survey to complete for Data Protection.

Note - The client may be Thames Water Utilities Limited or another company within the Kemble Water group structure

## **VI.4) Procedures for review**

### **VI.4.1) Review body**

Thames Water Utilities Limited

Reading

Country

United Kingdom

### **VI.4.3) Review procedure**

Precise information on deadline(s) for review procedures

Thames Water Utilities Limited will incorporate a standstill period at the point information on the award of the contract is communicated to tenderers. That notification will provide full information on the award decision. The standstill period, which will be for a minimum of 10 calendar days, provides time for unsuccessful tenderers to challenge the award decision before the contract is entered into.

The Utilities Contracts Regulations 2016 (SI 2016 No 274) provide for aggrieved parties who have been harmed or are at risk of harm by a breach of the rules to take action in the High Court (England, Wales and Northern Ireland)