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Contract

## **Provision of Operating, Maintenance and Mangement Support Services**

Sellafield Ltd

F03: Contract award notice

Notice identifier: 2021/S 000-021435

Procurement identifier (OCID): ocds-h6vhtk-02db2a

Published 31 August 2021, 12:13pm

### **Section I: Contracting authority**

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

Sellafield Ltd

Sellafield Ltd

Calder Bride, Seascale

CA201 PG

#### **Contact**

Hamish Fraser

#### **Email**

[Hamish.x.fraser@sellafieldsites.com](mailto:Hamish.x.fraser@sellafieldsites.com)

#### **Telephone**

+44 7866894808

**Country**

United Kingdom

**NUTS code**

UKD1 - Cumbria

**National registration number**

01002607

**Internet address(es)**

Main address

<https://www.gov.uk/government/case-studies/shared-services-alliance-ssa-for-nuclear-decommissioning-estate>

**I.4) Type of the contracting authority**

Body governed by public law

**I.5) Main activity**

Other activity

Nuclear Decommissioning

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

Provision of Operating, Maintenance and Mangement Support Services

Reference number

7027

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

- 65410000 - Operation of a power plant

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

Services

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

The services required by this new contract are:

- Operation & maintenance of Fellside Steam Generating Units (Fellside Boiler Park and New Steam Generation Plant)
- Operation & maintenance of existing CHP (Gas Turbine 1(GT1) & Auxiliary Boiler, Steam Turbine and ancillary equipment) and transition to a care and surveillance programme currently.
- Continuation and ongoing care and surveillance programme for Fellside retired CHP assets
- Decommissioning, dismantling and removal of retired CHP assets

### **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: £39,600,000

## **II.2) Description**

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

- 31124000 - Steam-turbine generator and related apparatus
- 42112100 - Steam turbines
- 42113300 - Parts of gas turbines
- 42162000 - Steam-generating boilers

- 42164000 - Auxiliary plant for use with boilers
- 44621200 - Boilers

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

NUTS codes

- UKD1 - Cumbria

Main site or place of performance

Fellside Site, adjacent to the Sellafield Site, Cumbria CA20 IPG

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

The services required by this new contract are:

- Operation & maintenance of Fellside Steam Generating Units (Fellside Boiler Park and New Steam Generation Plant)
- Operation & maintenance of existing CHP (Gas Turbine 1(GT1) & Auxiliary Boiler, Steam Turbine and ancillary equipment) and transition to a care and surveillance programme currently.
- Continuation and ongoing care and surveillance programme for Fellside retired CHP assets
- Decommissioning, dismantling and removal of retired CHP assets

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

Quality criterion - Name: Technical / Weighting: 100

Price - Weighting: 0

### **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

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## **Section IV. Procedure**

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

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

Award of a contract without prior publication of a call for competition in the cases listed below

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

Explanation:

See Additional information VI.3

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

The procurement is covered by the Government Procurement Agreement: No

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## **Section V. Award of contract**

### **Contract No**

1

### **Title**

Provision of Operating, Maintenance and Mangement Support Services

A contract/lot is awarded: Yes

### **V.2) Award of contract**

#### **V.2.1) Date of conclusion of the contract**

1 June 2021

#### **V.2.2) Information about tenders**

Number of tenders received: 1

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: 0

Number of tenders received by electronic means: 0

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

#### **V.2.3) Name and address of the contractor**

PX LIMITED

Px House, Westpoint Road

Stockton On Tees

TS17 6BF

Country

United Kingdom

NUTS code

- UKG - West Midlands (England)

National registration number

04373756

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: £39,600,000

Total value of the contract/lot: £39,600,000

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## **Section VI. Complementary information**

### **VI.3) Additional information**

The Combined Heat and Power Plant (CHP) situated at Fellside focusses on the safety critical function of providing steam to Sellafield site. CHP is an ageing fragile facility near the end of its design life. In or around August 2015 Sellafield undertook a review of current and future site steam requirements, concluding that future steam delivery for site operations would be via two Steam Generation Plants (SGP). Work on the construction of the SGP commenced in July 2015 and were due to be operational by 2021. SGP Project suffered delays resulting in the Operational Date for the SGP being revised to March 2023. CHP operations are required by SL until replacement or renewal of these facilities following which CHP will be wound down in preparation for decommissioning and demolition. The strategy from CHP to boiler only operations necessitated an extension of the contractual arrangements with the current CHP ops and maintenance provider until the SGP became operational. Given the delays a new contract with the existing operations and maintenance provider PX Limited has been entered into to safely ensure continued operations of CHP which, given the age of the facility requires ongoing significant care, repair and maintenance. This will include undertaking key activities for plant upgrades to comply with Industrial Emissions Directive (2010/75/EU), and provision of care and maintenance of aged and obsolete equipment. It was intended that PX heavily involved in key transitional activities leading to full operations. It was determined that in the circumstances competition to deliver the services was absent for technical reasons and that, pursuant Regulation 32(2)(b)(II) of the Public Contracts Regulations 2015, Sellafield may award a contract to PX using the negotiated procedure without prior publication of a contract notice in the Find a Tender Service . In particular, based upon assessment of the market ,Sellafield considered that there was no practical alternative to continuing to engage PX to deliver steam and provide care, repair and maintenance services whilst migrating to a new system. Given, in particular, that PX is the only organisation with detailed understanding of CHP and Sellafield's specific technical and operational requirements necessary to ensure safe and effective provision of services. Engaging a substitute provider during a transitional period would have carried very significant operational risks for Sellafield. Since awarding this contract Sellafield Ltd has had a further change in it steam strategy and has terminated the SGP Project. Sellafield intends to bring to the market the opportunity to operate and maintain the CHP.

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

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

Royal Courts of Justice

Strand



London

London

Country

United Kingdom

Internet address

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

#### **VI.4.2) Body responsible for mediation procedures**

Royal Courts of Justice

Strand

London

London

Country

United Kingdom

Internet address

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

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

Precise information on deadline(s) for review procedures

Precise information on deadline(s) for review procedures:

Any appeals should be promptly brought to the attention of the contact specified in Section I above, and will be dealt with in accordance with the requirements of the Public Contracts Regulations 2015. Any appeals must be brought within the timescales specified by the applicable law, including without limitation, the Public Contracts Regulations 2015. In accordance with the Public Contracts Regulations 2015, the Contracting Authority will also incorporate a minimum 10 calendar day standstill period from the date information on award of contract is communicated to tenderers.

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

Sellafiedl Ltd

West Cumbria House

Workington

CA14 4AH

Email

[hamish.x.fraser@sellafieldsites.com](mailto:hamish.x.fraser@sellafieldsites.com)

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