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Contract

0942 – Supply of Electricity and Gas utilities to Essex County Council

Essex County Council

F03: Contract award notice

Notice identifier: 2022/S 000-021753

Procurement identifier (OCID): ocds-h6vhtk-031f9e

Published 8 August 2022, 3:02pm

Section I: Contracting authority

I.1) Name and addresses

Essex County Council

County Hall, Market Road

Chelmsford

CM1 1QH

Contact

Ms Natasha I-Goldsmith

Email

Natasha.I-Goldsmith2@essex.gov.uk

Country

United Kingdom

Region code

UKH3 - Essex

Internet address(es)

Main address

<https://www.essex.gov.uk/>

Buyer's address

<https://www.essex.gov.uk/>

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

0942 – Supply of Electricity and Gas utilities to Essex County Council

Reference number

DN585854

II.1.2) Main CPV code

- 09000000 - Petroleum products, fuel, electricity and other sources of energy

II.1.3) Type of contract

Supplies

II.1.4) Short description

Essex County Council is responsible for procuring energy for its core estate and infrastructure – this includes circa 250 operational buildings (including offices, libraries,

children's centres, youth and respite centres, country parks), highways, street lighting and other infrastructure. The number of operational buildings is expected to reduce as the Council's estate rationalisation programme progresses. The Council has a mix of electricity (half hourly and non-half hourly) and gas meters for its sites and infrastructure.

The Council has procured flexible supply contracts for 2 lots – Lot 1 Electricity and Lot 2 Gas and via an Open procedure procurement exercise. Each Lot was awarded to a single supplier for the contract duration. Each contract will be for an initial term of 3 years (commencing 1st October 2022), with an option to extend for up to a further 3 years, at the Council's discretion.

Bidders are Ofgem licensed energy suppliers and offer flexible supply contracts, which encompasses the ability to forward purchase the commodity element via a trading desk using OTC (Over the counter) after the contract has been completed. In addition, bidders for Lot 1 Electricity must: (i) be able to provide sleeving arrangements under which any renewable electricity sourced from off-site renewable generators can potentially be included at an additional cost in the electricity supply contract should the Council choose to do so at a later date; and (ii) provide REGO (Renewable Energy Guarantees of Origin) backed renewable energy across the electricity portfolio.

II.1.6) Information about lots

This contract is divided into lots: Yes

II.1.7) Total value of the procurement (excluding VAT)

Value excluding VAT: £51,998,868

II.2) Description

II.2.1) Title

Electricity supply contract - flexible Purchase, combined non hourly and half hourly

Lot No

1

II.2.2) Additional CPV code(s)

- 09310000 - Electricity

II.2.3) Place of performance

NUTS codes

- UKH3 - Essex

II.2.4) Description of the procurement

Key selection criteria, in addition to the Selection Questionnaire, included the product specification, fixed costs, REGO, commission, basic trading requirement, default position, day ahead functionality, reforecasting, payment and process service, account management structure (including supplier meetings), site additions/removals, commodity and non-commodity invoicing, adherence to service level agreements, power purchase agreement requirements, electronic billing, pricing submission, T&Cs, web portal access, billing and volume variation.

Bids were assessed on a 60:40 basis for price:quality (of which 5% of the quality score assessed social value) in accordance with the evaluation and award criteria set out in the tender documents. Tenders were awarded on a most economically advantageous tender basis. All evaluation and award criteria are set out in the tender documents.

Pricing was broken down into half hourly and non-half hourly rates for the commodity (the cost of the energy itself including production, supply and supplier's margin) and non-commodity charges (including government levies and tax, and transportation and distribution charges).

Quality questions will cover such topics as volume and risk management, invoicing, account management, renewable energy (REGO), environmental sustainability and social value.

Successful suppliers will comply with a service level agreement (which will be included in the tender pack) for the contract duration, which is incorporated into the flexible supply contracts.

II.2.5) Award criteria

Quality criterion - Name: Quality criterion - Name: Qualitative Criteria / Weighting: /
Weighting: 35

Quality criterion - Name: Quality criterion - Name: Social Value / Weighting: / Weighting: 5

Price - Weighting: 60

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) Description

II.2.1) Title

Gas supply contract - flexible Purchase

Lot No

2

II.2.2) Additional CPV code(s)

- 09120000 - Gaseous fuels

II.2.3) Place of performance

NUTS codes

- UKH3 - Essex

II.2.4) Description of the procurement

Key selection criteria, in addition to the Selection Questionnaire, included the product specification, pricing submission, T&Cs, fixed costs, commission, basic trading requirement, default position, day ahead functionality, reforecasting, payment and process service, account management structure (including supplier meetings), site additions/removals, commodity and non-commodity invoicing, adherence to SLAs, electronic billing and web portal access, billing and volume variation.

Bids were assessed on a 60:40 basis for price:quality (of which 5% of the quality score assessed social value) in accordance with the evaluation and award criteria set out in the tender documents. Tenders were awarded on a most economically advantageous tender basis.

Pricing was broken down into appropriate commodity rates for the Supplier (the cost of the energy itself including production, supply and supplier's margin) and non-commodity charges (including government levies and tax, and transportation and distribution charges), as per the pricing schedule.

Quality questions covered topics such as volume and risk management, invoicing, account management, environmental sustainability and social value.

Successful suppliers will comply with a service level agreement (which will be included in the tender pack) for the contract duration, which is incorporated into the flexible supply contracts.

II.2.5) Award criteria

Quality criterion - Name: Quality criterion - Name: Qualitative Criteria / Weighting: / Weighting: 35

Quality criterion - Name: Quality criterion - Name: Social Value / Weighting: / Weighting: 5

Price - Weighting: 60

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

Open procedure

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: [2022/S 000-006405](#)

Section V. Award of contract

Contract No

DN585854

Lot No

1

Title

Electricity supply contract - flexible Purchase, combined non hourly and half hourly

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

7 June 2022

V.2.2) Information about tenders

Number of tenders received: 3

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

V.2.3) Name and address of the contractor

DRAX ENERGY SOLUTIONS LIMITED

Selby

YO8 8PH

Country

United Kingdom

NUTS code

- UK - United Kingdom

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: £45,600,000

Total value of the contract/lot: £46,567,626

Section V. Award of contract

Contract No

DN585854

Lot No

2

Title

Gas supply contract - flexible Purchase

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

26 May 2022

V.2.2) Information about tenders

Number of tenders received: 1

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

V.2.3) Name and address of the contractor

SSE ENERGY SUPPLY LIMITED

Reading

RG1 3JH

Country

United Kingdom

NUTS code

- UK - United Kingdom

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: £4,800,000

Total value of the contract/lot: £5,431,242

Section VI. Complementary information

VI.4) Procedures for review

VI.4.1) Review body

High Court

Royal Courts of Justice, The Strand

London

WC2A 2LL

Country

United Kingdom

VI.4.2) Body responsible for mediation procedures

High Court

Royal Courts of Justice, The Strand

London

WC2A 2LL

Country

United Kingdom