

This is a published notice on the Find a Tender service: <https://www.find-tender.service.gov.uk/Notice/021753-2022>

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): ocids-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](mailto: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