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Contract

Firmus Energy Construction and Maintenance Works and Services Contract

Firmus Energy (Distribution) Limited

F06: Contract award notice – utilities

Notice identifier: 2024/S 000-023016

Procurement identifier (OCID): ocds-h6vhtk-040e44

Published 24 July 2024, 12:52pm

Section I: Contracting entity

I.1) Name and addresses

Firmus Energy (Distribution) Limited

A4-A5 Fergusons Way Kilbegs Road

ANTRIM

BT414LZ

Email

periodcontract@firmusenergy.co.uk

Country

United Kingdom

Region code

UKN0D - Antrim and Newtownabbey

Companies House

05375370

Internet address(es)

Main address

www.firmusenergy.co.uk

I.6) Main activity

Production, transport and distribution of gas and heat

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Firmus Energy Construction and Maintenance Works and Services Contract

II.1.2) Main CPV code

- 45231221 - Gas supply mains construction work

II.1.3) Type of contract

Works

II.1.4) Short description

firmus energy ran a procurement exercise to (subject to the terms of the Invitation to Negotiate) establish a Framework Agreement with two Contractors, a 'primary' Contractor and a 'reserve' Contractor. The intention was that all Works required would be awarded to the first ranked Tenderer ('primary' Contractor) to complete in accordance with the terms of the Framework Agreement. The second ranked Tenderer would (subject to the terms of the Invitation to Negotiate) be appointed as a 'reserve' Contractor and potentially, at firmus energy's discretion, be appointed to undertake the entirety of the Works in the event that the 'primary' Contractor was unable or unwilling to undertake the Works for any reason during the term of the Framework Agreement.

The tender opportunity was divided into two (2) Lots, as follows:

Lot 1:

- Framework Agreement duration - initial three (3) year period, with the option for firmus energy to extend the Framework Agreement on two (2) subsequent occasions of up to twelve (12) months each.
- Performance Bond with a limit of liability of at least £800,000
- Retention at 15% up to a limit of £800,000, with that limit capable of reducing by 50% at the end of the second year of the Term (as defined in the Framework Agreement)
- Parent Company Guarantee

- Domestic owner occupied connections to be completed within D+15 (D representing the date of handover by firmus energy)
- Contractor to carry out digitising of mains and Industrial and Commercial (I&C) services in accordance with section 1.2.6 of the Specification.

Lot 2:

- Framework Agreement duration - initial five (5) year period, with the option for firmus energy to extend the Framework Agreement on one (1) subsequent occasion of up to twelve (12) months.
- No performance bond required
- Retention at 15% up to a limit of £300,000, with that limit capable of reducing by 1/3 at the end of the third year of the Term (as defined in the Framework Agreement)
- Parent Company Guarantee
- Domestic owner occupied connections to be completed within D+20
- Firmus energy to digitise the as laid drawings into its Gas Network Information Management System (GIS).

Save as set out above, and within the terms of the draft Framework Agreement and the Specification, the Works required under each Lot were the same. Applicants were permitted to apply for one or both Lots, with no limit on the number of Lots which may be applied for. The contract notice for the opportunity however made clear that firmus energy would not award a Framework Agreement for both Lots. The notice confirmed that it was firmus energy's intention, following conclusion of the Procurement and subject to the terms of the Invitation to Negotiate, to either award a Framework Agreement to the top two (2) ranked compliant Tenderers for Lot 1 and terminate Lot 2; or award a Framework Agreement to the top two (2) ranked compliant Tenderers for Lot 2 and terminate Lot 1. The draft Invitation to Negotiate for the Procurement detailed the criterion and process to be adopted to determine whether firmus energy awarded a Framework Agreement for Lot 1 or Lot 2.

Estimated annual contract value was circa £10-£11M therefore, dependent on which lot firmus energy awarded a Framework Agreement for, estimated total contract value was stated to be in the region of £66000000 over a full potential 6 year contract period.

II.1.6) Information about lots

This contract is divided into lots: Yes

II.2) Description

II.2.1) Title

Option A

Lot No

1

II.2.2) Additional CPV code(s)

- 44100000 - Construction materials and associated items
- 45231100 - General construction work for pipelines
- 45231110 - Pipelaying construction work
- 45231111 - Pipeline lifting and relaying
- 45231112 - Installation of pipe system
- 45231220 - Construction work for gas pipelines
- 45231221 - Gas supply mains construction work
- 45231223 - Gas distribution ancillary work
- 45333100 - Gas regulation equipment installation work

II.2.3) Place of performance

NUTS codes

- UKN0 - Northern Ireland

Main site or place of performance

- Derry/Londonderry

- Limavady

- Coleraine

- Ballymoney
- Ballymena
- Antrim
- Craigavon (including Lurgan and Portadown)
- Armagh
- Banbridge
- Newry

II.2.4) Description of the procurement

- Framework Agreement duration - initial three (3) year period, with the option for firmus energy to extend the Framework Agreement on two (2) subsequent occasions of up to twelve (12) months each.
- Performance Bond with a limit of liability of at least £800,000
- Retention at 15% up to a limit of £800,000, with that limit capable of reducing by 50% at the end of the second year of the Term (as defined in the Framework Agreement)
- Parent Company Guarantee
- Domestic owner occupied connections to be completed within D+15 (D representing the date of handover by firmus energy)
- Contractor to carry out digitising of mains and Industrial and Commercial (I&C) services in accordance with section 1.2.6 of the Specification.

II.2.11) Information about options

Options: Yes

Description of options

It was anticipated that the Framework Agreement would commence on 9 April 2024 and continue thereafter for an initial period of three (3) years, with the option for firmus energy to extend the Framework Agreement on two (2) subsequent occasions of up to twelve (12) months each.

II.2) Description

II.2.1) Title

Option B

Lot No

2

II.2.2) Additional CPV code(s)

- 44100000 - Construction materials and associated items
- 45231100 - General construction work for pipelines
- 45231110 - Pipelaying construction work
- 45231111 - Pipeline lifting and relaying
- 45231112 - Installation of pipe system
- 45231220 - Construction work for gas pipelines
- 45231221 - Gas supply mains construction work
- 45231223 - Gas distribution ancillary work
- 45333100 - Gas regulation equipment installation work

II.2.3) Place of performance

NUTS codes

- UKN0 - Northern Ireland

Main site or place of performance

- Derry/Londonderry

- Limavady

- Coleraine

- Ballymoney
- Ballymena
- Antrim
- Craigavon (including Lurgan and Portadown)
- Armagh
- Banbridge
- Newry

II.2.4) Description of the procurement

- Framework Agreement duration - initial five (5) year period, with the option for firmus energy to extend the Framework Agreement on one (1) subsequent occasion of up to twelve (12) months.
- No performance bond required
- Retention at 15% up to a limit of £300,000, with that limit capable of reducing by 1/3 at the end of the third year of the Term (as defined in the Framework Agreement)
- Parent Company Guarantee
- Domestic owner occupied connections to be completed within D+20
- Firmus energy to digitise the as laid drawings into its Gas Network Information Management System (GIS).

II.2.11) Information about options

Options: Yes

Description of options

It was anticipated that the Framework Agreement would commence on 9 April 2024 and continue thereafter for an initial period of five (5) years, with the option for firmus energy to extend the Framework Agreement on one (1) subsequent occasion of up to twelve (12) months.

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

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: [2023/S 000-036650](#)

Section V. Award of contract

Lot No

Option B (Lot 2)

Title

Construction & Maintenance Works and Services Contract

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

1 July 2024

Section VI. Complementary information

VI.3) Additional information

In accordance with the terms of the Invitation to Negotiate, firmus energy awarded a Framework Agreement for Lot 2 (Option B) and terminated the tender process for Lot 1 (Option A) and did not appoint a 'reserve' contractor. Due to a delay in concluding the tender process, the Framework Agreement for Lot 2 was not entered into until 1 July 2024.

VI.4) Procedures for review

VI.4.1) Review body

High Court of Justice in Northern Ireland

Royal Courts of Justice, Chichester Street

Belfast

BT1 3JF

Country

United Kingdom