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Contract

Caithness, Moray & Shetland Multi-Terminal HVDC Link's Long-Term Service Agreement

Scottish Hydro Electric Transmission Plc

F03: Contract award notice

Notice identifier: 2022/S 000-023978

Procurement identifier (OCID): ocids-h6vhtk-036378

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Section I: Contracting authority

I.1) Name and addresses

Scottish Hydro Electric Transmission Plc

200 Dunkeld Road

Perth

PH1 3AQ

Email

transmission.procurement@sse.com

Country

United Kingdom

NUTS code

UKM6 - Highlands and Islands

Internet address(es)

Main address

<https://www.ssen-transmission.co.uk>

I.4) Type of the contracting authority

Body governed by public law

I.5) Main activity

General public services

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Caithness, Moray & Shetland Multi-Terminal HVDC Link's Long-Term Service Agreement

Reference number

20725

II.1.2) Main CPV code

- 65320000 - Operation of electrical installations

II.1.3) Type of contract

Services

II.1.4) Short description

The services comprise mobilisation, scheduled maintenance, emergency call out, unscheduled maintenance and cyber security related services.

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: £28,210,957.17

II.2) Description

II.2.3) Place of performance

NUTS codes

- UKM6 - Highlands and Islands

II.2.4) Description of the procurement

Long-term service agreement associated with the Caithness, Moray & Shetland multi-terminal link that comprises mobilisation, scheduled maintenance, emergency call out, unscheduled maintenance and cyber security related services.

II.2.5) Award criteria

Price

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

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:

The Caithness, Moray and Shetland Multi-Terminal High Voltage Direct Current (HVDC) Link has been constructed using Hitachi Energy's proprietary HVDC Light Voltage Sourced Converter technology. Due to the proprietary nature of these works there is no other vendor who has the ability to maintain, fault find and repair the core components and systems. No other HVDC Original Equipment Manufacturer or specialist has the necessary skills or expertise on Hitachi Energy equipment to repair the facility following a forced outage incident impacting the efficient operation of the facilities. There would also be significant risk of other contractors performing maintenance activities during the performance guarantee periods from the Shetland Construction Contract.

As well as the technical reasons Hitachi Energy would not allow SSEN Transmission to procure a 3rd party to maintain their systems due to confidentiality of their intellectual property. This was expressed within the Shetland Construction Contract confidentiality clause which states that no Competitor, being a third party that carries out business as a designer, engineer, supplier, construction contractor and/or installation contractor in connection with high voltage direct current converter station systems, power electronics and/or associated plant and infrastructure, could receive Confidential Information which would be required to undertake the proposed services.

SSEN Transmission are therefore satisfied that at this time, as competition is absent for technical reasons and to protect the exclusive rights, including intellectual property rights under the Shetland Construction Contract, a single source award for these services should be pursued.

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

The procurement is covered by the Government Procurement Agreement: No

Section V. Award of contract

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

21 June 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

Hitachi Energy UK Limited

Stone

ST15 0RS

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)

Total value of the contract/lot: £28,210,957.17

Section VI. Complementary information

VI.4) Procedures for review

VI.4.1) Review body

Scottish Hydro Electric Transmission Plc

200 Dunkeld Road

Country

United Kingdom