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Contract

COV - Strategic Energy Partner

Coventry City Council

F03: Contract award notice

Notice identifier: 2023/S 000-027856

Procurement identifier (OCID): ocds-h6vhtk-0366a9

Published 21 September 2023, 10:17am

Section I: Contracting authority

I.1) Name and addresses

Coventry City Council

Council House, Earl Street

COVENTRY

CV15RR

Contact

Rob Amor

Email

rob.amor@coventry.gov.uk

Telephone

+44 2476971956

Country

United Kingdom

Region code

UKG33 - Coventry

Justification for not providing organisation identifier

Not on any register

Internet address(es)

Main address

www.csw-jets.co.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

COV - Strategic Energy Partner

Reference number

COV-14006

II.1.2) Main CPV code

- 71314000 - Energy and related services

II.1.3) Type of contract

Services

II.1.4) Short description

The overall objective of this Project is to enable the city of Coventry to reach net zero carbon

emissions (Net Zero) in the long term, in a sustainable and economically viable way.

In doing so, the Project is expected to achieve the following outcomes that support the aims

of the One Coventry Plan (<https://letstalk.coventry.gov.uk/onecoventryplan>) and the (draft)

Climate Change & Sustainability Strategy:

- Enable zero carbon, energy efficient, resilient and adaptable buildings across the city
- Enable the move toward a zero-carbon circular economy approach throughout the city
- Enable low carbon, sustainable and equitable transport across the city including electrification and Active Travel
- Enable the creation of sustainable and resilient energy infrastructure for the long-term development needs of the city

- Deliver meaningful and significant social value for the long-term benefit of the city's residents

- Promote public awareness and enable behavioural change across energy use (domestic and commercial) and transport throughout the city's residents, public and voluntary

organisations and private businesses

- Become an active partner in delivering Coventry's Digital ambitions.

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: £2,000,000,000

II.2) Description

II.2.2) Additional CPV code(s)

- 09300000 - Electricity, heating, solar and nuclear energy
- 24110000 - Industrial gases
- 31000000 - Electrical machinery, apparatus, equipment and consumables; lighting
- 34000000 - Transport equipment and auxiliary products to transportation
- 39715200 - Heating equipment
- 39715210 - Central-heating equipment
- 65200000 - Gas distribution and related services
- 65300000 - Electricity distribution and related services
- 65400000 - Other sources of energy supplies and distribution
- 71314100 - Electrical services
- 71314200 - Energy-management services
- 71314300 - Energy-efficiency consultancy services
- 71314310 - Heating engineering services for buildings

- 71315100 - Building-fabric consultancy services
- 71315200 - Building consultancy services

II.2.3) Place of performance

NUTS codes

- UKG13 - Warwickshire
- UKG33 - Coventry

Main site or place of performance

Coventry

II.2.4) Description of the procurement

The Council recognises the role it must play in mitigating and adapting to the Climate Emergency, as a key influencer and policy maker. It also has a key role in delivering economic growth in the city and tackling inequalities. All three areas make up strands of the One Coventry plan. Providing the right energy infrastructure across the city is critical to all three of these strands. A strategic outlook on energy infrastructure will support and enable delivery of what is identified as needed.

What is also recognised are the constraints in delivering this strategic outlook and infrastructure development, in resources, expertise, project delivery and routes to funding. Therefore, the Energy Partner will sit alongside the Council in a long-term contractual joint venture relationship to deliver the following objectives:

- Contribute to and influence the review of energy needs in the city (also in relation to impact upon climate change and carbon emissions reduction), and how these may be achieved with discrete or strategic projects (including community, social, residential, commercial and industrial developments).
- To assist with the authoring of the energy infrastructure strategy which will be the 5-year strategic business plan (which shall complement completely the broader Sustainability & Climate Change strategy).
- To identify projects or initiatives that will deliver the strategy and complete the corresponding business case(s) to support implementation of these projects.
- Apply resource across a project or initiative lifecycle to deliver the required outcomes, or attract further third-party resource and input to deliver the same (sub-contacting).
- To fund via debt or equity, or to assist in third party fund raising, to deliver projects or

initiatives with or without CCC funding contribution.

- To identify opportunities for viable commercial enterprise and income generation which assists to secure additional resources to re-invest in developing energy infrastructure and services and meet environmental standards required by developers and investors now and in the future.
- To be the Councils operating partner or to oversee other operational models for each of the projects or initiatives as they are delivered.
- To provide the appropriate level of stakeholder engagement/consultation activity required in the design and delivery of business case(s) and projects.
- To embed social value in Coventry, within the strategic outlook, business case(s) and delivery approach and ensures that outputs/outcomes can be clearly measured.

The following outcomes have been identified by internal stakeholders as priorities for delivering the One Coventry Plan. This is not an exhaustive list as CCC will work with the Strategic Partner to develop and refine the intended outcomes of the project. The Partner will be encouraged to challenge and add to the intended outcomes.

- Enable zero carbon, energy efficient, resilient and adaptable buildings across the city.
 - o a programme of activity across the city and available to all building owners / occupiers to maximise the energy efficiency, optimise heating and cooling systems and climate change resilience of their buildings and infrastructure.
 - o specifically, and importantly, to achieve Minimum Energy Efficiency Standards (MEES) requirements across the Council's commercial building estate in line with legislation.
- Enable the move toward a zero-carbon circular economy approach throughout the city.
 - o All project planning, procurement and funding taking account of the full carbon life cycle of products and services - e.g., recycling of solar PV panels, 2nd life batteries, optimising of heat and electricity generation and consumption to avoid wasted energy.
- Enable low carbon, sustainable and equitable transport across the city including electrification and Active Travel.
 - o Decarbonising Vehicle and Mass Transport Movement - facilitating the decarbonisation of vehicles across the City through strategic energy (charging) infrastructure development and optimisation, for public and private transport - cars, buses, HGVs and future mass transport solutions (e.g. VLR).

- o Active Travel for All - facilitating the Council's aspirations for making active travel available for all city stakeholders - e.g. energising multi-modal travel hubs, creating optimised environment to encourage and enable more walking & cycling.

- Enable the creation of sustainable and resilient energy infrastructure for the long-term development needs of the city.

- o Grid Capacity Resilience - the Council, Energy Partner and other stakeholders working together to ensure the energy grid for electricity and heat in Coventry is sufficient to meet the requirements of the City and its future development.

- o Energy Generation & Storage - seeking out and implementing local energy generation and storage opportunities in and around the City that seeks to decarbonise energy usage across the City.

- Deliver meaningful and significant social value for the long-term benefit of the city's residents.

- o Meaningful tackling and creation of significantly positive set of values - for employment and upskilling, economic inequality education, health and wellbeing, equal opportunity and empowerment.

- o Inward Investment Enabler - creating a local economic environment that supports local supply chain investment in green technologies and services to support the wider draft Climate Change Strategy.

- Promote public awareness and enable behavioural change across energy use (domestic and commercial) and transport throughout the city's residents, public and voluntary organisations and private businesses.

- o To ensure success of programmes in the partnership, deliver appropriate stakeholder engagement to gain understanding, buy-in and support with behavioural change approaches.

- Become an active partner in delivering Coventry's Digital ambitions.

- o Working with partners across the city in delivery of high speed, ultra-reliable, ubiquitous connectivity and digital services to underpin existing and future next generation experience, for citizens, businesses and learners.

- o Establishing Coventry as a leading digital city, both nationally and internationally, supercharging innovation in the digital energy environment and wider.

The Council used the procurement as a means of enabling and facilitating the actual

delivery of specific energy projects across Coventry (and potentially also outside its boundary) during the lifetime of its joint venture with the Energy Partner.

During the procurement, the Council evaluated the means by which a potential Energy Partner would, if appointed, ensure the delivery of projects within the relevant scope in a way which complies with applicable procurement law. Such activity may (to the extent that it applies) include the procurement of projects which would operate on a concession model, or those which would be regulated as utility activities, or those which would be subject to the procurement regime as contracts for the supply of goods or services or for the carrying out of works. In any event, the Council will require the Energy Partner to be in a position to deliver each specific project in the way that secures value for money for the Council and the local population. This was demonstrated, tested and verified during the procurement to select the Energy Partner, and the requirement to deliver value for money for the Council on projects throughout the duration of the joint venture agreement is a contractual obligation placed upon the selected Energy Partner.

The Council will grant to the selected Energy Partner clearly delineated periods of exclusivity for the purposes of bringing forward specific energy projects for delivery. The granting of such exclusivity will be strictly contingent upon the attainment by the Energy Partner of certain gateways linked to the development of business cases for specific energy projects, and on the numbers of specific energy projects attaining those gateways.

II.2.5) Award criteria

Quality criterion - Name: Vision and Strategy / Weighting: 20

Quality criterion - Name: Working in Partnership with the Council - Partnership Planning / Weighting: 5

Quality criterion - Name: Working in Partnership with the Council - Partnership Delivery / Weighting: 17

Quality criterion - Name: Communications - Influencing & Engagement / Weighting: 8

Quality criterion - Name: Focus on Creating Social Value / Weighting: 15

Quality criterion - Name: Business Case Development and Measurement of Outcomes / Weighting: 15

Quality criterion - Name: Project Management and Delivery / Weighting: 20

Quality criterion - Name: Legal / Weighting: 20

Cost criterion - Name: Ensuring Value for Money in the Supply Chain 1 / Weighting: 10

Cost criterion - Name: Ensuring Value for Money in the Supply Chain 2 / Weighting: 5

Cost criterion - Name: Approach to Funding and Financing / Weighting: 15

Cost criterion - Name: Resource and Central Costs 1 / Weighting: 5

Cost criterion - Name: Resource and Central Costs 2 / Weighting: 10

Cost criterion - Name: Approach to Gateways / Weighting: 15

Cost criterion - Name: Development of Feasibility Studies for Anchor Projects / Weighting: 15

Cost criterion - Name: Balancing Social and Commercial Returns / Weighting: 15

Cost criterion - Name: Anchor Projects / Weighting: 10

II.2.11) Information about options

Options: Yes

Description of options

The initial term of the partnership is for 15 years, with the option to extend by two further 5-year periods.

II.2.14) Additional information

Further to the information provided in 2.2.5, the Council can confirm that the quality and price criteria were scored out of 100, and rationalised down to scores up to a maximum of 40%, with Legal scored up to a maximum of 20%. The breakdown is as follows;

Quality Criteria - Scored Out of 100, rationalised to up to 40.00%

- Vision and Strategy / Weighting: 20
- Working in Partnership with the Council - Partnership Planning / Weighting: 5
- Working in Partnership with the Council - Partnership Delivery / Weighting: 17
- Communications - Influencing & Engagement / Weighting: 8
- Focus on Creating Social Value / Weighting: 15

- Business Case Development and Measurement of Outcomes / Weighting: 15
- Project Management and Delivery / Weighting: 20

Price Criteria - Scored out of 100, rationalised to up to 40.00%

- Ensuring Value for Money in the Supply Chain 1 / Weighting: 10
- Ensuring Value for Money in the Supply Chain 2 / Weighting: 5
- Approach to Funding and Financing / Weighting: 15
- Resource and Central Costs 1 / Weighting: 5
- Resource and Central Costs 2 / Weighting: 10
- Approach to Gateways / Weighting: 15
- Development of Feasibility Studies for Anchor Projects / Weighting: 15
- Balancing Social and Commercial Returns / Weighting: 15
- Anchor Projects / Weighting: 10

Legal criterion - Name: Legal / Weighting: 20.00%

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Competitive dialogue

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 000-031409](#)

Section V. Award of contract

Contract No

COV-14006

Title

COV - Strategic Energy Partner

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

12 September 2023

V.2.2) Information about tenders

Number of tenders received: 3

Number of tenders received from SMEs: 0

Number of tenders received by electronic means: 3

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

V.2.3) Name and address of the contractor

E.ON UK plc

Westwood Way, Westwood Business Park

Coventry

CV4 8LG

Country

United Kingdom

NUTS code

- UKG33 - Coventry

Companies House

02366970

Internet address

www.eonenergy.com

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: £2,000,000,000

Total value of the contract/lot: £2,000,000,000

Section VI. Complementary information

VI.3) Additional information

Prior Information Notice: 2022/S 000-025141

Contract Notice: 2022/S 000-031409

The £2Bn contract value contemplates the potential investment in decarbonisation of energy in Coventry, using a multitude of funding sources, including third party investment, partner investment, and if appropriate and with sound business case, investment from the City Council. The sum also includes for revenues from resulting commercial concession ventures that may be available through this partnership. For clarity, this contract sum is not a commitment of all funding to achieve the SEP outcomes from the City Council.

The CPV codes listed in this notice include high-level 'parent' codes. The full list of codes envisaged to be utilised under the contract are as follows;

09300000-2 Electricity, heating, solar and nuclear energy

09310000 Electricity

09320000 Steam, hot water and associated products

09330000 Solar Energy

09340000 Nuclear Fuels

24110000 Industrial Gases

24111000 Hydrogen, argon, rare gases, nitrogen and oxygen

24112000 Inorganic oxygen compounds

24113000 Liquid and compressed air

31000000 Electrical machinery, apparatus, equipment and consumables; lighting

31100000 Electric motors, generators and transformers

31110000 Electric motors

31120000 Generators

31121000 Generating sets

31121100 Generating sets with compression-ignition engines

31121110 Power converters

31121111 Electric rotary converters

31121200 Generating sets with spark-ignition engines

31121300 Wind-energy generators

31121310 Windmills

31121320 Wind turbines

31121330 Wind turbine generators

31121331 Turbine rotors

31121340 Wind farm

31122000 Generator units

31124000 Steam-turbine generator and related apparatus

31126000 Dynamos

31127000 Emergency generator

31128000 Turbogenerator

31130000 Alternators

31131000 Single-phase motors

31131100 Actuators

31131200 Anodes

31132000 Multi-phase motors

31140000 Cooling towers

31141000 Water coolers

31150000 Ballasts for discharge lamps or tubes

31151000 Static converters

31153000 Rectifiers

31154000 Uninterruptible power supplies

31155000 Inverters

31156000 Interruptible power supplies

31157000 Inductors

31158000 Chargers

31160000 Parts of electric motors, generators and transformers

31161000 Parts for electrical motors and generators

31162000 Parts of transformers, inductors and static converters

31170000 Transformers

31171000 Liquid dielectric transformers

31172000 Voltage transformers

31173000 Instrument transformer

31174000 Power supply transformers

31200000 Electricity distribution and control apparatus

31210000 Electrical apparatus for switching or protecting electrical circuits

31220000 Electrical circuit components

31230000 Parts of electricity distribution or control apparatus

31300000 Insulated wire and cable

31310000 Mains

31320000 Power distribution cables

31330000 Coaxial cable

31340000 Insulated cable accessories

31350000 Electric conductors for data and control purposes

31400000 Accumulators, primary cells and primary batteries

31410000 Primary cells

31420000 Primary batteries

31430000 Electric accumulators

31440000 Batteries

31500000 Lighting equipment and electric lamps

31510000 Electric filament lamps

31520000 Lamps and light fittings

31530000 Parts of lamps and lighting equipment

31600000 Electrical equipment and apparatus

31610000 Electrical equipment for engines and vehicles

31620000 Sound or visual signalling apparatus

31630000 Magnets

31640000 Machines and apparatus with individual functions

31650000 Insulating fittings

31660000 Carbon electrodes

31670000 Electrical parts of machinery or apparatus

31680000 Electrical supplies and accessories

31700000 Electronic, electromechanical and electrotechnical supplies

31710000 Electronic equipment

31720000 Electromechanical equipment

31730000 Electrotechnical equipment

34000000-7 Transport equipment and auxiliary products to transportation

39715200-9 Heating equipment

39715210-2 Central-heating equipment

65200000-5 Gas distribution and related services

65210000-8 Gas distribution

65300000-6 Electricity distribution and related services

65310000-9 Electricity distribution

65320000-2 Operation of electrical installations

65400000-7 Other sources of energy supplies and distribution

71314200-4 Energy-management services

71314300-5 Energy-efficiency consultancy services

71315100-0 Building-fabric consultancy services

VI.4) Procedures for review

VI.4.1) Review body

Coventry City Council Legal Services

Coventry

Country

United Kingdom