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Planning

## **22-295 Rotherham Low Carbon Heat Network**

Rotherham Metropolitan Borough Council

F01: Prior information notice

Prior information only

Notice identifier: 2023/S 000-030832

Procurement identifier (OCID): ocds-h6vhtk-040d3a

Published 18 October 2023, 9:04pm

### **Section I: Contracting authority**

#### **I.1) Name and addresses**

Rotherham Metropolitan Borough Council

Riverside House, Main Street

Rotherham

S601AE

#### **Contact**

Karen Middlebrook

#### **Email**

[karen.middlebrook@rotherham.gov.uk](mailto:karen.middlebrook@rotherham.gov.uk)

#### **Telephone**

+44 1709334755

#### **Country**

United Kingdom

**Region code**

UKE31 - Barnsley, Doncaster and Rotherham

**Justification for not providing organisation identifier**

Not on any register

**Internet address(es)**

Main address

[www.rotherham.gov.uk](http://www.rotherham.gov.uk)

**I.3) Communication**

The procurement documents are available for unrestricted and full direct access, free of charge, at

<https://yortender.eu-supply.com/>

Additional information can be obtained from the above-mentioned address

**I.4) Type of the contracting authority**

Regional or local authority

**I.5) Main activity**

General public services

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## **Section II: Object**

### **II.1) Scope of the procurement**

#### **II.1.1) Title**

22-295 Rotherham Low Carbon Heat Network

Reference number

22-295 / 79115

#### **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**

Rotherham Metropolitan Borough Council, as part of its decarbonisation programme, is seeking to procure an alternative, low carbon heat delivery solution to provide heat to its estate including its municipal properties in a first phase and potentially the housing stock of which it is landlord in a further later phase. Currently, the municipal buildings rely on gas boilers and the housing stock properties rely on either domestic or communal gas/biomass boilers for their heating requirements. The Council does not intend to invest capital with potential heat network developers that install and manage a heat network in Rotherham in respect of the first phase municipal buildings. The Council is publishing this notice on behalf of itself and any other contracting authority which has a requirement for a low carbon heat network in the local area.

After conducting market research and financial due diligence about low carbon heat delivery options, the Council has identified the procurement of heating from a low carbon heat network as the Council's preferred solution. It is a condition of the Council's Public Sector Decarbonisation Scheme (PSDS) funding that this preferred solution must be in place by 31 March 2025: part of the PSDS includes the preparation of the Council's estate for connection to a low carbon heat network.

The Council understands that there is only one potential provider of heat supplied via a low carbon heat network in the Rotherham Metropolitan Borough that could meet the Council's preferred solution and timing requirements being Rotherham Energy Limited, which recently secured £25 million from the Government's Green Heat Network Fund to establish a new Rotherham Energy Network.

The Council and other contracting authorities in the local area may therefore consider that for technical reasons, connected with Rotherham Energy Limited's unique position in the market as recipient of grant funding to establish the Rotherham Heat Network, the Council's and other local contracting authorities' low carbon heat network requirements can only be supplied by Rotherham Energy Limited, and that there are no reasonable alternative low carbon heat network solutions in the market.

The purpose of this notice is to invite expressions of interest from any other providers in the market that could provide heating via a low carbon heat network in the Rotherham Metropolitan Borough to meet the Council's and other contracting authorities' requirements. If the Council does not receive any such expressions of interest within 30 days from the date of publication of this notice, the Council proposes to, and other contracting authorities in the local area may, use the negotiated procedure without prior publication under the Public Contracts Regulations 2015 to engage directly with Rotherham Energy Limited on the potential for it to supply heat for the Council/other contracting authorities from its low carbon heat network which may result in the award of a public contract pursuant to this procedure.

#### **II.1.6) Information about lots**

This contract is divided into lots: No

### **II.2) Description**

#### **II.2.2) Additional CPV code(s)**

- 09300000 - Electricity, heating, solar and nuclear energy

#### **II.2.3) Place of performance**

NUTS codes

- UKE31 - Barnsley, Doncaster and Rotherham

Main site or place of performance

The Borough of Rotherham

#### **II.2.4) Description of the procurement**

Rotherham Metropolitan Borough Council, as part of its decarbonisation programme, is seeking to procure an alternative, low carbon heat delivery solution to provide heat to its estate, including municipal buildings and housing stock of which it is landlord, and potentially properties of other contracting authorities within the Rotherham Metropolitan Borough.

Initially, 5 municipal buildings have been identified as relying on gas boilers for their heating requirements and would benefit from a switch to using a low carbon energy source instead. The relevant municipal buildings are: the Rotherham Civic Theatre, the Clifton Park Regimental Museum, the Orchard Health Centre, Rotherham Riverside House and Rotherham Town Hall although the Council may consider including additional municipal buildings within this programme in due course. Currently, the municipal buildings rely on gas boilers and the housing stock properties rely on either domestic or communal gas /biomass boilers for their heat requirements. In respect of these municipal buildings, the Council will be a customer for heat only and does not intend to invest capital with potential heat network developers that install and manage a heat network in Rotherham.

In relation to the housing stock of which the Council is landlord (circa 20,000 properties), the Council has initially identified 7,000 of these properties that currently rely on domestic or communal gas/biomass boilers for their heating requirements and would benefit from a switch to using a low carbon energy source, although the Council may consider including additional housing stock within this programme in due course.

After conducting market research and financial due diligence on which alternative, low carbon heat delivery options might be available, the Council has identified the procurement of heating from a low carbon heat network as the Council's preferred solution.

It is a condition of the Council's Public Sector Decarbonisation Scheme (PSDS) funding that this preferred solution must be in place by 31 March 2025: part of the PSDS includes the preparation of the Council's estate for connection to a low carbon heat network.

The Council understands that there is only one potential provider of heating from and connection with a low carbon heat network in the Rotherham Borough that could meet the Council's requirements and potentially those of other public bodies in the Rotherham Metropolitan Borough. This is Rotherham Energy Limited, which recently secured £25 million from the Government's Green Heat Network Fund to establish a new Rotherham Energy Network. The objective of the Rotherham Energy Network is to utilise the waste heat from the electrical generation process at Templeborough Biomass Power Plant to produce low carbon heating that is transported to a number of connections, including businesses and homes.

The purpose of this notice is to invite expressions of interest from any other providers in the market that could provide heating from and connection with a low carbon heat network in the Rotherham Metropolitan Borough to meet the Council's requirements. All potential providers are invited to express an interest and complete the required response documentation available at <https://yortender.eu-supply.com> (reference 79115).

If the Council does not receive any such expressions of interest within 30 days from the

date of publication of this notice, the Council proposes to use the negotiated procedure without prior publication under Regulation 32(2)(ii) of the Public Contracts Regulations 2015 to engage directly with Rotherham Energy Limited on the potential for it to supply heat for the Council from its low carbon heat network which may result in the award of a public contract pursuant to this procedure. This is on the basis that for technical reasons connected with Rotherham Energy Limited's unique position in the market as recipient of grant funding to establish the Rotherham Heat Network, the Council's low carbon heat network requirements and those requirements of other contracting authorities in the locality can only be supplied by Rotherham Energy Limited, and that there are no reasonable alternative low carbon heat network solutions in the market.

#### **II.2.14) Additional information**

The date provided at II.3. Estimated date of publication of contract notice is indicative only. As provided at II.2.4 Description of the procurement, the Council's intentions are clear. Should no acceptable expressions of interest be received, the Council will use the negotiated procedure without prior publication under Regulation 32(2)(ii) of the Public Contracts Regulations 2015 to engage directly with Rotherham Energy Limited and in such circumstances no Contract Notice will be published.

#### **II.3) Estimated date of publication of contract notice**

1 April 2024

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### **Section IV. Procedure**

#### **IV.1) Description**

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

The procurement is covered by the Government Procurement Agreement: Yes