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Contract

## **Support for development of an OFTO-build model for non-radial offshore transmission infrastructure**

Ofgem

F03: Contract award notice

Notice identifier: 2023/S 000-037027

Procurement identifier (OCID): ocds-h6vhtk-03ea5e

Published 15 December 2023, 5:01pm

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

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

Ofgem

10 South Colonnade, Canary Wharf

London

E14 4PU

#### **Email**

[Allan.Weir@ofgem.gov.uk](mailto:Allan.Weir@ofgem.gov.uk)

#### **Telephone**

+44 2079017000

#### **Country**

United Kingdom

#### **NUTS code**

UKI - London

**Internet address(es)**

Main address

<http://www.ofgem.gov.uk>

Buyer's address

[https://www.mytenders.co.uk/search/Search\\_AuthProfile.aspx?ID=AA10021](https://www.mytenders.co.uk/search/Search_AuthProfile.aspx?ID=AA10021)

**I.2) Information about joint procurement**

The contract is awarded by a central purchasing body

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

Body governed by public law

**I.5) Main activity**

General public services

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## **Section II: Object**

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

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

Support for development of an OFTO-build model for non-radial offshore transmission infrastructure

Reference number

2023-076

#### **II.1.2) Main CPV code**

- 71620000 - Analysis services

#### **II.1.3) Type of contract**

Services

#### **II.1.4) Short description**

Conduct an in-depth analysis on the roles and responsibilities of the respective parties and level of risk dependent on roles undertaken, including by assessing sub-categories of risk.

Conduct an in-depth analysis on financing. In particular, how to obtain the best possible finance at the lowest cost to consumers; determining availability of construction finance; conduct an evaluation of the market and assess the market's appetite for new class of assets, by comparison to existing classes; and consider how consumers will benefit from any refinancing eg, how will any claw-back mechanism work for an OFTO Build.

Act in an advisory capacity, providing advice to Ofgem on how best Ofgem could design a process which would incentivise timely delivery for OFTOs – taking into full consideration reward and risk.

This includes providing advice on elements of the tender process such as: the optimum timing of competitive tender process, duration of the tender process and adjustments to the existing OFTO model to facilitate an OFTO Build, for Ofgem to then build and implement the process.

Provide advice support on the treatment of the Tender Revenue Stream (TRS). In particular, looking at the adjustments required to the revenue structure to accommodate shared infrastructure.

Provide advice on potential changes to Codes and Standards and other industry arrangements to facilitate an OFTO Build.

These areas are among those which Ofgem have identified as significant and are carrying out further stakeholder engagement on these matters. The successful tenderer will be expected to view the material and feedback Ofgem have received to date, to ensure that it has full consideration of the area's it is expected to provide advice.

#### **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: £376,290

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

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

- 66171000 - Financial consultancy services
- 71621000 - Technical analysis or consultancy services
- 79411000 - General management consultancy services

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

NUTS codes

- UK - United Kingdom

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

The Supplier will act in an advisory capacity to support the Authority development of an OFTO build model and in doing so, facilitate offshore coordination. With regards to specific outputs, the Supplier will:

Conduct an in-depth analysis on the roles and responsibilities of the respective parties and level of risk dependent on roles undertaken, including by assessing sub-categories of risk.

Conduct an in-depth analysis on financing. In particular, how to obtain the best possible finance at the lowest cost to consumers; determining availability of construction finance; conduct an evaluation of the market and assess the market's appetite for new class of assets, by comparison to existing classes; and consider how consumers will benefit from

any refinancing eg, how will any claw-back mechanism work for an OFTO Build.

Act in an advisory capacity, providing advice to the Authority on how best the Authority could design a process which would incentivise timely delivery for OFTOs – taking into full consideration reward and risk.

This includes providing advice on elements of the tender process such as: the optimum timing of competitive tender process, duration of the tender process and adjustments to the existing OFTO model to facilitate an OFTO Build, for the Authority to then build and implement the process.

Provide advice support on the treatment of the Tender Revenue Stream (TRS). In particular, looking at the adjustments required to the revenue structure to accommodate shared infrastructure.

Provide advice on potential changes to Codes and Standards and other industry arrangements to facilitate an OFTO Build.

These areas are among those which the Authority have identified as significant and are carrying out further stakeholder engagement on these matters. The Supplier will be expected to view the material and feedback the Authority have received to date, to ensure that it has full consideration of the area's it is expected to provide advice.

#### **II.2.5) Award criteria**

Quality criterion - Name: Technical / Weighting: 60

Price - Weighting: 40

#### **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: No

### **IV.2) Administrative information**

#### **IV.2.1) Previous publication concerning this procedure**

Notice number: [2023/S 000-021607](#)

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## **Section V. Award of contract**

### **Contract No**

2023-076

A contract/lot is awarded: Yes

### **V.2) Award of contract**

#### **V.2.1) Date of conclusion of the contract**

2 November 2023

#### **V.2.2) Information about tenders**

Number of tenders received: 5

Number of tenders received from SMEs: 0

Number of tenders received from tenderers from other EU Member States: 0

Number of tenders received from tenderers from non-EU Member States: 0

Number of tenders received by electronic means: 5

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

#### **V.2.3) Name and address of the contractor**

CEPA LLP

Queens House, 55-56 Lincoln's Inn Fields

London

WC2A 3LJ

Email

[nick.hodges@cepa.co.uk](mailto:nick.hodges@cepa.co.uk)

Telephone

+44 02072690210

Country

United Kingdom

NUTS code

- UKI - London

The contractor is an SME

No

#### **V.2.4) Information on value of contract/lot (excluding VAT)**

Total value of the contract/lot: £376,290

#### **V.2.5) Information about subcontracting**

The contract is likely to be subcontracted

Value or proportion likely to be subcontracted to third parties

Value excluding VAT: £188,145

Proportion: 50 %

Short description of the part of the contract to be subcontracted

The sub-contractor will be leading multiple workstreams and contributing to writing of deliverables.

## **Section VI. Complementary information**

### **VI.3) Additional information**

(MT Ref:230694)

### **VI.4) Procedures for review**

#### **VI.4.1) Review body**

Public Procurement Review Service

Cabinet Office

London

Email

[publicprocurementreview@cabinetoffice.gov.uk](mailto:publicprocurementreview@cabinetoffice.gov.uk)

Telephone

+44 3450103503

Country

United Kingdom

Internet address

<https://www.gov.uk/government/publications/public-procurement-review-service-scope-and-remit>