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Contract

TC1162 Power Purchase Agreement

Manchester City Council

F03: Contract award notice

Notice identifier: 2023/S 000-037217

Procurement identifier (OCID): ocds-h6vhtk-03dc90

Published 19 December 2023, 8:58am

Section I: Contracting authority

I.1) Name and addresses

Manchester City Council

Floor 5 (Mount Street Elevation), Town Hall Extension, Albert Square

Manchester

M60 2LA

Contact

Mr Josh Ward

Email

joshua.ward@manchester.gov.uk

Telephone

+44 1612345000

Country

United Kingdom

Region code

UKD3 - Greater Manchester

Internet address(es)

Main address

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

Buyer's address

<http://www.manchester.gov.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**

TC1162 Power Purchase Agreement

Reference number

DN675949

II.1.2) Main CPV code

- 09310000 - Electricity

II.1.3) Type of contract

Supplies

II.1.4) Short description

The Council has set an ambitious Climate Change Action Plan for the period 2020-25 to achieve reductions of the Council's direct emissions by at least 50% by 2025, while aiming for a further 50% reduction between 2025 and 2030.

The Council has committed to securing 100% renewable electricity by 2030 and renewable power purchase agreements are considered an integral part of its energy procurement and sustainability strategies.

The Council therefore sought to sign a long-term offsite virtual power purchase agreement ("PPA") with a wind or solar PV developer with a project that has REGOs that are valid for the Council's Scope 2 reporting (i.e. REGOs that are valid within Great Britain). In the interest of creating 'additionality', the Council sought a "new-to-earth" project, which is not yet constructed but has received permits and consents from local authorities.

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: £48,169,717

II.2) Description

II.2.2) Additional CPV code(s)

- 09310000 - Electricity
- 09330000 - Solar energy

II.2.3) Place of performance

NUTS codes

- UKD3 - Greater Manchester

II.2.4) Description of the procurement

The council ran a competitive procedure with negotiation to procure a long-term offsite virtual power purchase agreement. Further details on the procurement steps can be found within the procurement documents.

II.2.5) Award criteria

Quality criterion - Name: Quality / Weighting: 30

Quality criterion - Name: Social Value / Weighting: 20

Quality criterion - Name: Carbon and Environment / Weighting: 10

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

II.2.14) Additional information

The Council used the e-business portal known as the Chest. Applicants needed to register their details at the following link www.the-chest.org.uk. Applicants needed to electronically submit their completed Request to Participate documents, including standard selection questionnaire, via the on-line portal by 11am on 26th July 2023 referred to in IV.2.2.

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Competitive procedure with negotiation

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 000-018136](#)

IV.2.9) Information about termination of call for competition in the form of a prior information notice

The contracting authority will not award any further contracts based on the above prior information notice

Section V. Award of contract

Contract No

TC1162

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

19 December 2023

V.2.2) Information about tenders

Number of tenders received: 6

Number of tenders received from SMEs: 2

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: 6

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

V.2.3) Name and address of the contractor

AGR Power Limited

4th Floor, Burlington Building, 19 Heddon Street

London

W1B 4BG

Country

United Kingdom

NUTS code

- UKD3 - Greater Manchester

The contractor is an SME

Yes

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

Initial estimated total value of the contract/lot: £42,000,000

Total value of the contract/lot: £48,169,717

Section VI. Complementary information

VI.3) Additional information

Manchester City Council's ("the Council") mission is to make Manchester a healthy, green, socially just city where everyone can thrive. Our target is to become a zero-carbon city by 2038 at the latest, 12 years ahead of the Government's target for the UK of 2050.

The Council has set an ambitious Climate Change Action Plan for the period 2020-25 to achieve reductions of the Council's direct emissions by at least 50% by 2025, while aiming for a further 50% reduction between 2025 and 2030.

The Council has committed to securing 100% renewable electricity by 2030 and renewable power purchase agreements are considered an integral part of its energy procurement and sustainability strategies.

The Council therefore sought to sign a long-term offsite virtual power purchase agreement ("PPA") with a wind or solar PV developer with a project that has REGOs that are valid for the Council's Scope 2 reporting (i.e. REGOs that are valid within Great Britain). In the interest of creating 'additionality', the Council sought a "new-to-earth" project, which is not yet constructed but has received permits and consents from local authorities.

The Council used the e-business portal known as the Chest. Applicants needed register their details at the following link www.the-chest.org.uk. Once registered, applicants were emailed a log-in and password which allowed them to gain access to the documentation relating to this opportunity. Applicants needed to electronically submit their completed Request to Participate documents, including the standard selection questionnaire, via the on-line portal by 11am on 26th July 2023 as referred to in IV.2.2. Any clarification queries were also required to be submitted via the Chest website by the date referred to in the tender documentation.

The contract will be for 15 years, expected to commence September 2025

The successful supplier will be required to actively participate in the economic and social regeneration of the locality of, and surroundings of, the place of delivery of the contract. Therefore, selection and award criteria, specification requirements and contract performance conditions related in particular to social and environmental considerations as relevant to the subject matter of this project.

VI.4) Procedures for review

VI.4.1) Review body

The High Court (England, Wales and Northern Ireland)

The Strand

London

WC2A 2LL

Country

United Kingdom

VI.4.3) Review procedure

Precise information on deadline(s) for review procedures

The Council observed a 10 calendar day standstill period at the point information on the award of the contract is communicated to tenderers prior to entering into the contract, which came to an end midnight 18th December 2023. If an appeal regarding the award of a contract has not been successfully resolved, the Public Contract Regulations 2015 provide for aggrieved parties who have been harmed or are at risk of harm by a breach of the rules to take action in the High Court (England, Wales and Northern Ireland)