

Joint Energy from Waste Project Contract Award Report RES/19/197

Appendix C: Comparison of Preferred Bidders Solution with Required Objectives

Project Objective	Met	
To provide an affordable, reliable solution for the management of residual municipal waste post 2021	✓	Bespoke evaluation criteria were applied to this procurement on this basis. Acciona's final tender is considered to be affordable as it is in line with the original/revised business cases. The evidence provided as part of the Tender demonstrates how Acciona will deliver a reliable solution for the long term that is capable of meeting future environmental standards.
Criteria	Criteria Met	
The solution allows the Councils to move away from landfill within the statutory time limits or as soon as possible thereafter	✓	The procurement exercise took 6 months longer to complete than the original programme described but this time was necessary to ensure the outcome was robust. The preferred bidder's solution is deliverable within the prescribed 3 year construction period and will be available mid 2022.
The solution is economical and tax efficient with the long term price of waste disposal being predictable, smooth and secure.	✓	The evaluation criteria were based around establishing the Most Economically Advantageous Tender (MEAT). The price of waste disposal is now predictable, smooth and secure for the next 23 years.
The solution must be deliverable in political, planning, technical, commercial and environmental terms	✓	It is hoped that the Council agree with the recommendation to approve. The preferred bidder's final tender has been determined through evaluation to be deliverable in technical, commercial and environmental terms
The project delivers a local solution that delivers benefits to the North East (local defined as within the 3 authority areas) including jobs, heat and power.	✓	The EfW will be developed at the East Tullis site. The preferred bidders final tender includes a series of community benefits

		throughout the works period and services period that will benefit the North East
The solution ensures that the energy produced fully and fairly benefits the Councils and where appropriate the communities served by the Councils	✓	The preferred bidder's final tender provides a highly efficient plant that includes the plant/equipment necessary to serve a district heating network in Torry while exporting the surplus energy as electricity to the National Grid, where the revenue is returned directly to the Councils.
The project (including during the operational phase) is accountable to the three partner Councils	✓	The Contractor will report directly to the Lead Authority throughout the works and services period accepting waste from the 3 Councils. The Inter-Authority Agreement 3 contains details of the joint working arrangements.
The solution recognises partnership working with the risks and benefits being shared in proportion to the partners' contributions	✓	The Inter-Authority Agreement 3 contains details of the shared risks and benefits across the partner Councils
The solution includes reliable technology with a proven track record	✓	The solution is a mass burn EfW technology that complies with the planning permission already granted. The track record of the technology has been assessed during the procurement process and was demonstrated as being reliable and proven at a number of sites across the world.
The solution is provided by a Contractor with a proven track record	✓	The preferred bidder has a proven track record of building and operating similar facilities across the world.
The solutions is a facility capable of meeting Necessary Consents (Planning & Permitting)	✓	The facility proposed is in line with existing planning consent which included an assessment of permitability. The preferred bidders solution has been evaluated technically and considered to be permittable. The preferred bidder will submit a formal PPC application to SEPA in the coming weeks.
The facility optimises thermal efficiency levels in order to meet SEPA's Thermal Treatment Guidelines with minimal impact on electricity revenue	✓	The facility proposed is a highly efficient plant considered capable of meeting the Thermal Treatment Guidelines

<p>The solution is able to cope with a wide range of input material calorific values (CV) to address changing waste composition over the project's lifetime</p>	<p>✓</p>	<p>The facility has been designed for the Council's waste and has the flexibility to cope with changes to volume and composition during the Contract period.</p>
<p>The project attracts maximum competition in order to secure best value;</p>	<p>✓</p>	<p>8 companies originally showed interest in this project, which was reduced to 4, then 2. For a project of this nature, the market appetite has been strong as it is unusual to maintain all bidders throughout the project term.</p>
<p>Does not interfere with achieving best practicable levels of source segregated recycling;</p>	<p>✓</p>	<p>The plant size is as originally envisaged and has the flexibility to cope with much lower volumes which allow best practicable levels of source segregated recycling to be achieved by all 3 Councils. Where space becomes available, third party waste of similar composition will be sought to maximise the energy revenues for the Councils.</p>
<p>The solution must be commercially understandable and acceptable to the various market players, minimising and transferring or sharing risks with the contractor where appropriate; and</p>	<p>✓</p>	<p>The preferred bidder's solution has been evaluated and scrutinised technically, financially and commercially and contains an acceptable risk profile for the Councils.</p>
<p>Encourages innovation and optimises post-processing recycling and recovery.</p>	<p>✓</p>	<p>The facility is being designed to meet environmental standards that are still to come into force, therefore there is an element of future proofing built in. The solution includes regular market testing of the outputs to ensure advances in post-processing technologies are recognised.</p>