

Questions and Answers on the Request for Offers

“Modernization, Decarbonization and Resilience - A Regional Transition Roadmap for the Western Balkans”

Status: 19 October 2022

Question 1: Do we understand correctly that the services to be delivered under the first bullet point of Section 2.2 do not include the development of supply-side scenarios, and only focus on demand projections?

Answer 1: First bullet point of Section 2.2 states that the service provider should provide a quantitative assessment of the national and regional energy demand at a national and regional level in the WB6 Contracting Parties in different time frames (up to 2050). However, analyses of different scenarios related to supply and energy demand can be offered, which would be considered an added value to the offer, but the absence of additional scenarios related to energy supply and demand will not lead to the exclusion of the offer.

Question 2: Do you expect the contractor to develop new supply-side scenarios to deliver the services related to governance, environmental impacts, and support schemes?

Answer 2: As indicated under ToR, to the extent possible work of the contractor should be based on pre-existing Energy Community Secretariat's studies. This basically concerns scenarios included therein. However, we are open to the proposals of new scenarios made by the individual contractors. This of course will be further developed and discussed in the inception phase.

Question 3: In the case new supply-side scenarios are not required, can we propose an optional work package on that topic? Indeed, we think it would be beneficial for the assignment to develop consistent demand-supply scenarios to propose and assess governance options, assess the environmental impacts, and examine the need for support schemes.

Answer 3: See the answer above. Contractor is encouraged to proactively suggest approach to the potential new scenarios. Any proposal in this sense will be considered as an added value to the offer and will be awarded with higher points in the technical offer evaluation.

Question 4: Do you expect to share the input and background data used to carry out the referenced pre-existing studies, or any other relevant information submitted to the Energy Community Secretariat as part of these studies?

Answer 4: We will share the input data for the mentioned studies with the consultant. Background information and analyzed scenarios are publicly available in the corresponding reports.

Question 5: Regarding the quantitative assessment of the national and regional energy demand, what is the granularity required? i.e. aggregated at the national level, or per sector of energy demand?

Answer 5: In these studies we focused on electricity only and the input data contained only total demand. However the consultant is encouraged to further investigate and consult the draft NECPs of the Contracting Parties, if necessary for the modelling.

Question 6: According to the ToR "Evidence: reference for at least two projects in at least one of the project categories defined above, executed in the last five years, with a minimum combined value of € 40,000" . We would like to be clarified if the refence projects need to have started after 2018 or if it is sufficient to have been completed after 2018.

Answer 6: Please note that end-date of the project has to be no older than five years from the submission date of the bid.

Question 7: Could you clarify which and how many public generation companies are to be considered for this analysis as a too large coverage could have an impact on the resources to be allocated by the service provider to this task? How many of them will be under the scope of the required analysis? Could we consider that only public companies will be covered?

Answer 7: The Energy Community Secretariat will provide the list of incumbent companies in the Contracting Parties [licensed/ engaged in the electricity production] at the kick-off meeting. It is worth noting that it is expected that the contractor has certain experience and familiarity with the power sector in the Energy Community and have sufficient information on this matter too.

Question 8: Do you confirm the financial reports, and especially analytical ones, will be provided by the Energy Community Secretariat ? Please can you let us know what kind of documentation is available: Audited Balance Sheets and Profit and Loss Statement? The experience has shown that the Companies are reluctant to share this information with Consultants even when mandated by international organisations, and IFI's.

Answer 8: Audited statements will not be provided. Consultant is expected to obtain financial information in the form of audited financial statements.

Question 9: The standard audited statement may have a summarized set of data not detailing the cost accounting required to analyse position per type of technology. In such an occurrence, do you confirm that the cost accounting details will be provided by the Energy Community Secretariat? The same apply for the pricing policy;

Answer 9: Energy Community Secretariat will not provide additional information, consultant may ask in the company or alternatively propose a method for cost allocation on cost/profit centers (power plants per type, other activities) where these exist.

Question 10: Regarding the "expected useful life or extension of the useful life": the remaining operation life of the equipment need an engineer analysis and expertise: Will this information provided by the Secretariat? By the Companies? Or shall the Consultant carry out such expertise and on how many Companies and sites?

Answer 10: Regarding remaining useful life, we do not expect valuation of assets, but a general estimate of the current condition of the core assets. We expect the consultant to present the approach and methodology for this estimate.

Question 11: Regarding Task 1 (Energy Demand Assessment)

For which energy carriers shall the demand be determined?

- For electricity only or also for primary energy carriers?
- **Note: We would assume the electricity demand should suffice to carry out the modelling required for the remainder of the study.**

Answer 11: Demand for electricity is sufficient.

Question 12: What is the required granularity of demand assessment?

- annual quantities or hourly time-series?
- In case all energy carriers are required per Q1.1 we would suggest (i) hourly demand for electricity – to carry out further modelling and (ii) annual demand for other energy carriers – do you agree?

Answer 12: The Secretariat expects that hourly time-series of electricity demand is used for the modelling purposes.

Question 13: For which time steps shall the demand be determined:

- **We would propose a modelling in 5-year steps – do you agree?**

Answer 13: The Secretariat agrees to a modeling in 5-year steps.

Question 14: Regarding Task 3 (Governance of the energy transition)

Are we correct in assuming, that the “regional energy, climate and resilience planning tool” should not be developed as part of the project, but rather its potential benefits analysed?

Answer 14: There is no need to develop “regional energy, climate and resilience planning tool” but indeed, to assess the potential benefits of such a tool.

Question 15: Regarding Task 4 (Scenario Modelling)

As the number of scenarios modelled is a key driver of effort, it would be good to understand if the EnCS has a view on the number of scenarios required. Otherwise we would suggest a set of scenarios and use this number also to build our budget estimate.

Answer 15: We expect the contractor to suggest a set of scenarios.

Question 16: General and administrative Questions:

Do we understand correctly that we should not budget for travel expenses in our base offer under the 220,000 EUR budget cap? Costs for physical meetings would be billed in addition – correct?

Answer 16: Budgeting in travel costs for at least two meetings in Vienna should be considered.

Question 17: For the required travel cost specification: Where would physical meetings be held? In Vienna?

Answer 17: Meetings will be in Vienna (to be discussed in the inception phase if needed elsewhere).

Question 18: Are energy demand projections expected to include all sources of Total Primary energy consumption (eg including energy for transport) or is it limited to electricity?

Answer 18: Demand for electricity is sufficient.

Question 19: Will proposals with financial bids exceeding 220 000 EUR be excluded?

Answer 19: Tenders above 220k will not be excluded.

Question 20: Regarding the section "Description of Quality Control Measures" of the tender, we would like to ask if it is included in the 20 page limit of the part "Description of Approach, Work Plan and Organization for Performing the Assignment" or if there is no page limit for that section.

Answer 20: Section "Description of Quality Control Measures" of the tender is not included in the 20 page limit, however, we would like to kindly ask you to be concise.

Question 21: Under ‘Specific tasks for the Service Provider’, the TOR states:

-analysis of investment plans and their implementation to estimate investment needs in thermal power plants to ensure compliance with LCPD and its timing, investment needs for rehabilitation or/and extension of useful life of existing hydro power plants and to analyse unrealised investments in the previous period;

The post 2028th period and implementation of IED directive is not explicitly mentioned. Please, confirm this intentionally constrained only on implementation of LCPD?

Answer 21: We expect the contractor to analyse investment plans and timelines for compliance with the Energy Community acquis on environment. While the currently applicable legal framework is the LCPD, after 2028 it will be replaced by the IED indeed, so it should be considered as well.

Question 22: Concerning the “Signed Declaration in relation to exclusion criteria and absence of conflict of interest” the terms of reference state “Upon request, the bidder should be able to provide documentary proof or statements required under the law of the country in which the company (or each of the companies for consortia) is effectively established, to show that it is not in any of the situations listed in the Declaration.” In the Annex containing the declaration, however, the explanations read themselves as if documentary evidence needs to be submitted right away, as for example:

For situations described in (a), (b) and (e) production of a recent extract from the judicial record is required or, failing that, a recent equivalent document issued by a judicial or administrative authority in the country of origin or provenance showing that those requirements are satisfied For the situation described in point (d) above recent certificates or letters issued by the competent authorities of the State concerned are required. These documents must provide evidence covering all taxes and social security contributions for which the bidder is liable, including for example, VAT, income tax (natural persons only), company tax (legal persons only) and social security contributions.

Under d) it is stated: “has fulfilled all its obligations relating to the payment of social security contributions and the payment of taxes in accordance with the legal provisions of the country in which it is established, with those of the country of the contracting authority and those of the country where the contract is to be carried out”

What exactly does it mean that the statement needs to tackle all taxes and contributions and obligations “with those of the country of the contracting authority and those of the country where the contract is to be carried out”? Is a statement for Austria and all Western Balkan countries required?

Could you please clarify: What kind of documentary proof is required exactly, if any? Or is it sufficient to provide such proof upon request at a later stage?

Answer 22: Please note that at this stage, we only ask for the signed Declaration in relation to exclusion criteria and absence of conflict of interest (Annex 2), if in line with its requirements. However, upon request, the bidder should be able to provide documentary proof or statements required under the law of the country in which the company (or each of the companies for consortia) is effectively established, to show that it is not in any of the situations listed in the Declaration. In case the bidder applies as a consortium, this Declaration should be signed by all consortium members.

Question 23: Can you confirm that the electricity is at the core of the study? In particular, the tender document refers to a quantitative assessment of the national and regional energy demand in the WB6 Contracting Parties in different time frames (up to 2050). Is it sufficient to provide projections for the electricity demand, or can you clarify the scope of energy vectors to be considered?

Answer 23: Electricity is at the core of the study, however, the contractor may suggest other energy vectors.