



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

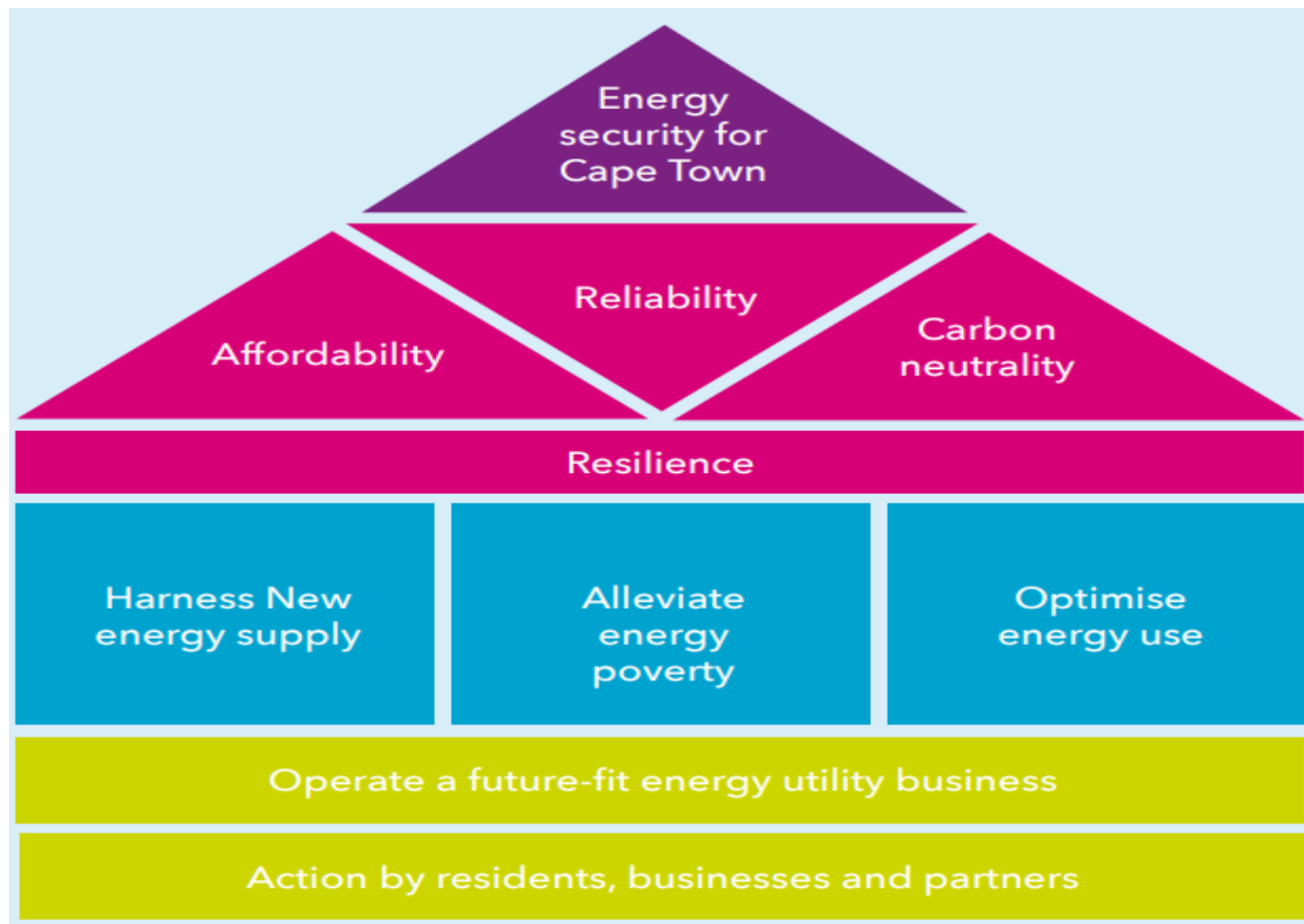
**151S/2025/26: CITY OF CAPE TOWN WASTE TO ENERGY INDEPENDENT POWER
PRODUCER (IPP) PROGRAM FOR EMBEDDED OR WHEELED GENERATION FOR A
PERIOD OF 20 YEARS**

Tender Clarification Meeting

4 March 2026

Making progress possible. **Together.**

Background



Background

- Increasing bulk electricity costs have prompted the City to explore alternative means to enhance energy security in Cape Town, including utility-scale own-build, IPP procurement, Energy Traders, etc.
- The City is diversifying its energy procurement portfolio beyond Eskom purchases, exploring bulk electricity procurement from IPPs. It has run 3 IPP programmes previously seeking bids from entities with their own generation sources at a competitive price.
- Through this IPP procurement the City intends to procure energy from particularly proven Waste to Energy technologies for a period of 20 years.

Tender

TENDER NO: 151S/2025/26

TENDER DESCRIPTION: CITY OF CAPE TOWN WASTE TO ENERGY INDEPENDENT POWER PRODUCER (IPP) PROGRAM FOR EMBEDDED OR WHEELED GENERATION FOR A PERIOD OF 20 YEARS

CONTRACT PERIOD: THE COMMENCEMENT DATE WILL BE SIGNATURE DATE AND THE END DATE WILL BE UP TO 240 MONTHS FROM THE COMMERCIAL OPERATION DATE

TENDER ADVERTISED: 6 FEBRUARY 2026

TENDER CLOSING: 29 MAY 2026

Bidders should read the tender documentation in detail and comply with all aspects

Refer to Tender for the Tender Box number where tenders must be submitted

Tender

- Single Stage process to be followed:
 - Functional scoring – Bidders to secure a minimum of 60 points
 - Technical Proposal (must meet ALL eligibility criteria)
 - Financial Proposal – Bidders are encouraged to submit the financial model that support their proposed rate/s
- Bidders are encouraged to conditionally secure feedstock agreements before tender closing date
- Bidders will be required to provide a Bid Bond to the value of R 10 000/ MW of contracted capacity at the request of the CCT prior to Financial Close
- Bidders must submit all returnables as requested in the tender at tender closing. Missing mandatory information will render a bid non-responsive and may be disqualified.



Tender – Technology

- This tender is limited to IPP procurement from Waste to Energy technologies only
- All projects using proven Waste to Energy generation technologies will be considered
- Projects must be a minimum of 5MW
- Hybrid - BESS plus WTE will be considered. Stand-alone BESS systems will not be considered
- Fuel / feedstock will be the responsibility of the bidder to procure through such fuel/feedstock agreements
- The sourcing and supply of the waste is the responsibility of the successful bidder. The bidder may require to enter into waste supply agreement/s, and set out the terms to determine the required quantities, quality, duration, etc. The CCT will not be party to such waste supply agreement/s, and will not participate in any such process on behalf nor in support of any bidder.

Tender – Location and Connection Points

- Projects may be located anywhere in South Africa (inside and outside the CCT network)
- Projects can connect either to CCT grid or another Municipal grid/Eskom (wheeling)
- **If the bidder intends to connect to CCT Network:**
 - Bidders must complete the NDA (Annexure H) and return to the City as soon as possible.
 - List of suitable HV connection points with load data will be issued (NDA required) – Annexure I.
 - Bidders are required to utilise the publicly available information if they are interested in a MV (11kV) connection to assess suitability of possible connection point.
 - Once prospective bidders have perused the information in Annexure I and/or the publicly available information, bidders must apply to the City for an indicative cost estimate to connect to CCT's grid.
 - Please ensure that applications for CEL reach the City preferably by end of March to allow sufficient time to issue the CEL, and allow time for bid preparation. Requests for CEL should be submitted no later than 6 weeks prior to bid closing date.
- **If connecting to another Municipality/Eskom:**
 - Bidders required to engage Municipality/Eskom for grid connection agreement
 - Bidders to submit confirmation and details of such connection agreement with bid
 - All associated charges must be included in the Commercial Energy Rate including wheeling costs
 - The CCT will provide bidders with a list of delivery points (NDA required)



Tender – Functionality

Bidders must achieve a minimum of 60 out of 100 points to proceed to technical and price evaluation.

Eligibility Scoring:

1. Financial Close – 35 Points (Financial close of a PPA with a contracted capacity of at least 1 MW)
2. Commercial Operation Date – 35 Points (Commercial operation of plant of at least 1 MW)
3. COD for WTE Plant – 20 Points (Commercial Operation for a WTE Plant of at least 1 MW)
4. Continuous Operations of Plant – 10 Points (Operations of a 1 MW generation plant for 12 months)

Bidders to return completed Schedules E15 A – D.

“Completed” means that the corresponding deliverables with respect to the corresponding evaluation criterion was successfully delivered, and should be accompanied by the relevant supporting evidence.

Bidders are urged to review the requirements for the relevant supporting evidence and submit at bid closing.

Tender – Technical

The following information shall be submitted with the tender:

- Key Technical details relating to offer as per Schedule E.13-A
- Annual generation profile broken down into Eskom TOU periods per a month as per Schedule E.13-B
- Hourly generation profile for contract period in electronic format issued with this tender, Schedule E.13-C
- Clear indication of plant location as per Schedule E.13-D

These documents are critical for evaluation and will serve as contract data which will be used for planning as well as contract and performance management.

In addition to the above, the following may be requested and would preferably be submitted by the bidder with the tender:

- High level site development plan
- Planned grid connection route
- Project Schedule
- Evidence of technology being a proven technology
- Fuel-supply agreements and/or heads of terms
- Municipal/Eskom Connection Agreements as applicable

Tender – Pricing

- In order for the contract to be commercially viable for the CCT, given the current circumstances and future changes to the energy market, the CCT will be comparing the bidders submission to an Eskom Benchmark Energy Charge Tariff
- The CCT will complete the appropriate calculations to ensure financial and technical benefit to CCT using the rates provided by the Bidder, in conjunction with the proposed generation profiles as per Schedule E.13-B and Schedule E.13-C respectively; as well as to ensure compliance with C5.4 of the specification.
- Based on the real (unescalated) overall annual savings per a unit of energy using the rates provided by the bidder applied to the generation profile provided by the bidder, the overall savings per a unit energy will be calculated by comparing these costs to the equivalent Benchmark Energy Charges Tariff stipulated.
- Bidders are reminded that all charges associated with the delivery of energy to the point of connection must be included

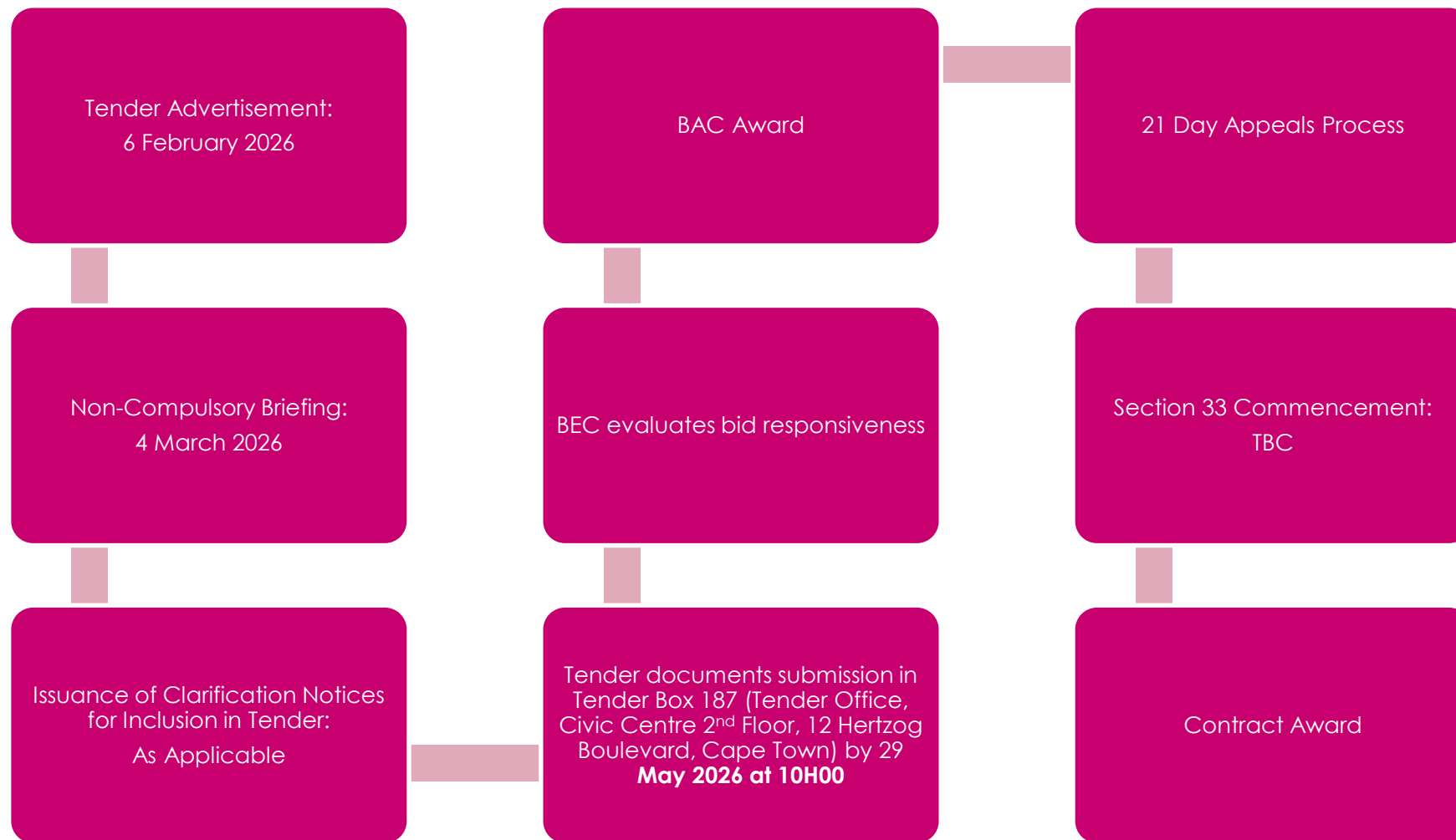
Tender – Pricing

- Bidders will be ranked highest to lowest. Preferred bidders will be based on ranking as well as technical feasibility as dependent on the City's ability to absorb the electricity at specified point(s) of connection/delivery.
- Bids will be evaluated on 90/10. Points for preference will be allocated in accordance with the provisions of Preference Schedule. Bidders to complete to claim points.
- All renewable energy certificates and carbon credits shall be transferred to the CCT.
- Bidders are encouraged to submit the financial model that support their proposed rate/s

Tender – PPA

- The Draft PPA is attached to the Tender
- Bidders are urged to review the PPA conditions as set out.
- The CCT reserves the right to negotiate on the PPA at the preferred bidder stage

SCM Process



FAQs

Question	Response
Is this tender only for catching the emissions from the organics? If you pyrolyse ALL the waste you will get FAR more energy & send nothing to landfill... It will be a far better proposition.	All proposed projects using proven waste to energy technology will be considered for this tender
Who is supplying the waste to the plant, who is guaranteeing the minimum quantity of the waste, duration of the waste agreement, is there support of the Municipality in terms of the waste supply (deliver or pay mechanism).	The sourcing and supply of the waste is the responsibility of the successful bidder. The bidder may require to enter into waste supply agreement/s, and set out the terms to determine the required quantities, quality, duration, etc. The CCT will not be party to such waste supply agreement/s, and will not participate in any such process on behalf nor in support of any bidder.

FAQs

Question	Response
Who is the counterparty in the waste agreement, is it the Municipality, or a municipal company, such as the solid waste department?	The bidder is responsible for the sourcing and supply of the waste, as such the counterparty will be determined by the bidder. The CCT will not be party to such waste supply agreement/s, and will not participate in any such process on behalf nor in support of any bidder.
How much extension time can the CCT permit? To prepare an offer for such plants typically it takes at least 6 months.	The CCT is currently not considering any extension of closing date. The request will be considered on own merit if submitted.
Is this tender, linked to the RFI 88_24_25 that was issued last year ?	No, the RFI was to obtain market analysis only and not to contract with any company. This is a new tender with the intention to contract with successful bidders if the bids are responsive, financially feasible and compliant with the requirements set out in the tender document."

FAQs

Question	Response
<p>We kindly request clarification regarding the responsibility for sourcing and securing the waste/feedstock (stock feed) required for the project. Specifically, we would appreciate confirmation on whether:</p> <p>The successful bidder will be solely responsible for negotiating and concluding feedstock supply agreements with the Municipality and/or third-party suppliers (including farmers or private waste providers); or</p> <p>The City intends to facilitate, support, or provide any guaranteed access to municipal waste streams or other feedstock sources.</p>	<p>The sourcing and supply of the waste is the responsibility of the successful bidder. The CCT will not be party to such waste supply agreement/s, and will not participate in any such process on behalf nor in support of any bidder.</p>

QUERIES

All queries should be submitted to:

SEM.Procurement@capetown.gov.za

CC: SCM.Tenders23@capetown.gov.za

QUESTIONS

Feel free to raise any questions now, alternatively e-mail us.



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Thank You

Making progress possible. Together.