

## HESSEQUA MUNICIPALITY

HES-TECH 04/2627

### THE SUPPLY, DELIVERY AND INSTALLATION OF RENEWABLE ENERGY INFRASTRUCTURE ON AN AS AND WHEN REQUIRED BASIS FOR A PERIOD OF THREE (3) YEARS

#### PART C2.3: LEVELISED COST OF ENERGY (LCOE) EVALUATION

#### C2.3 LEVELISED COST OF ENERGY (LCOE) EVALUATION

##### C2.3.1 GENERAL

The Employer shall evaluate the price component of the Tender by calculating the Levelised Cost of Energy (LCOE) of prescribed reference renewable energy systems using the Tendered Rates entered in Pricing Schedules A to D.

The calculations shall be performed automatically within the Employer-issued Microsoft Excel pricing workbook.

Tenderers shall not modify the prescribed reference systems, assumptions, formulae or calculations contained within the pricing workbook.

The calculated Composite LCOE shall constitute the evaluated tender price for the purposes of price evaluation.

##### C2.3.2 REFERENCE SYSTEMS

For tender evaluation purposes, the Employer has established the following standard reference systems:

| Reference System | Nominal Inverter Capacity | Installation Type | Evaluation Weighting |
|------------------|---------------------------|-------------------|----------------------|
| Small System     | 16 kW                     | Rooftop           | 20%                  |
| Medium System    | 50 kW                     | Rooftop           | 30%                  |
| Large System     | 100 kW                    | Rooftop           | 25%                  |
| Large System     | 100 kW                    | Ground Mounted    | 25%                  |

The reference systems are standardised evaluation models only and do not represent guaranteed Work Orders.

The quantities, equipment configurations and installation assumptions associated with each reference system are predetermined by the Employer and are contained within the pricing workbook.

Tenderers shall not amend or substitute the prescribed reference systems.

### **C2.3.3      LCOE CALCULATION**

The Employer-issued pricing workbook automatically calculates the total installed cost, lifecycle costs, expected energy production and the corresponding Levelised Cost of Energy for each reference system using the Tendered Rates entered in Pricing Schedules A to D.

Tenderers are not required to calculate the Levelised Cost of Energy manually.

### **C2.3.4      COMPOSITE EVALUATED PRICE**

The Levelised Cost of Energy calculated for each reference system shall be combined using the prescribed evaluation weightings to determine a Composite LCOE.

The Composite LCOE shall represent the evaluated tender price for the purposes of price scoring.

### **C2.3.5      TENDER EVALUATION**

Only the Tendered Rates entered in Pricing Schedules A to D shall be used to determine the Composite LCOE.

No adjustment shall be made to the Tendered Rates after submission except as permitted in terms of the Conditions of Contract.

The Employer reserves the right to verify all calculations contained within the pricing workbook during the evaluation process.

Any unauthorised alteration of the pricing workbook, formulae, protected cells or evaluation methodology may result in the Tender being declared non-responsive.