

# Appendix A

## Tender evaluation

Negotiated procedure  
pursuant to Directive 2014/25/EU (the Utilities Directive)

**This is not a EU-tender**

## 1. THE AWARD CRITERION

Each lot will be awarded separately. The award will take place on the basis of the award criterion lowest price:

### 1. Price

evaluated on the basis of the overall price for evaluation purposes (referred to in the following as the "evaluation-technical price").

The evaluation-technical price is the rate offered for a nominal 100 % irrespective of the tenderer actually quoting for less capacity than 100 %.

If the contracting authority allows and encourages "Coordinated tenders"<sup>1</sup>, cf. the Public Procurement Act, § 24, nr. 31 (and when applicable this is clearly stated for each lot in the document "Instructions to the Tenderers", section 2 "Description of the procurement and Tender Process for information on each lot") the evaluation-technical price is the rate offered (for a nominal 100%) and multiplied with the relevant Normalization Factor as found in the Tender Reply Slips (Appendix C) for the specific lot.

## 2. MORE ABOUT THE EVALUATION

Each lot will be awarded to one or more tenderer to reach the required 100 % capacity.

The evaluation and the awarding of a contract per lot will thus follow these steps for lots 1-3 where the role as lead insurer *is relevant*:

- Evaluation in order to fill up the capacity until a maximum of 100 %, see section 2.1

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<sup>1</sup> A "coordinated tender" based quote structure means that the contracting authority for a specific lot *allows* and *encourages* (but do *not require*) the tenderer to quote with different pre-defined levels of deductibles. As the financial exposure to the contracting authority is proportional to the deductible, the calculation of the evaluation-technical price for each received quote requires an interpretation of the price applying to each quote based upon the quote's offered deductible. This interpretation is conducted by multiplying the offered price (rate) with a specific number (a so-called "Normalization Factor") applying to each optional choice of deductible. The evaluation-technical price is therefore defined as the offered price multiplied with the relevant Normalization Factor. The Normalization Factors are found in the document "Appendix C. Form of Tender, Tender Reply Slips" in the specific lot's Tender Reply Slip and are predefined by the contracting authority to secure transparency, objectivity and equal treatment.

Example:

The contracting authority *allows* and *encourages* quotes for a specific lot involving a deductible of either 10 or 25. The Normalization Factor for the lowest deductible (10) is 1 (per definition) and the Normalization Factor for the higher deductible (25) is set to 2.00 by the Contracting Authority and stated in the relevant Tender Reply Slip. Two quotes are received: The first quote X is priced at 20 for the deductible of 10. The second quote Y is priced at 12 for the deductible of 25. The evaluation-technical price for quote X is  $20 \times 1 = 20$  whereas the evaluation-technical price for quote Y is  $12 \times 2 = 24$ . As  $20 < 24$  quote X with the deductible of 10 is subsequently awarded contract.

- Evaluation in order to find the lead insurer, see section 2.2

The evaluation and the awarding of a contract per lot will follow these steps for lot 1-3 where the role as lead insurer *is not relevant*:

- Evaluation in order to fill up the capacity until a maximum of 100 %, see section 2.1

## **2.1 Evaluation in order to fill up the capacity until the required 100 %.**

The selection of the most advantageous tender/tenders is subject to the following process (per lot) developed to secure maximum capacity at the lowest price. If the tenderers have been allowed to submit two tenders per lot, the two tenders will be considered as independent tenders and evaluated as such in the evaluation. As stated above, only the offered price is included in the evaluation. Thus, the extent of the offered capacity is not evaluated.

### **2.1.1 Maximum capacity of 100 % is achieved**

1. The tenderer with the lowest price will be awarded contract first. If a capacity of 100 % is achieved the contract will be awarded according to step 5.
2. If a capacity of 100 % is not achieved in step 1 the process continues with the second-lowest price. If a capacity of 100 % is achieved on the basis of the tender with the lowest price and the tender with the second-lowest price the contract will be award according to step 5.
3. If a capacity of 100 % is not achieved in step 1 and 2 the process continues with the third-lowest price, fourth-lowest price etc. until 100 % capacity has been reached.
4. The lastly awarded tender will be subject to scaling (in accordance with the minimum capacity potentially required by the tenderer) to reach exactly 100 %. All tenderers must accept that the awarding entity reserves the right to scale the offered level of support within the offered range (minimum (if any) to maximum) until 100% of support for the lot is reached.
5. When the capacity of 100 % has been achieved the successful tenderer(s) will be awarded the contract according to the offered prices and the offered capacity of each tender, however, taking into account any scaling according to step 4.

#### Example 1:

*Cut-off price defined at 150*

*Tenderer A. 40 % max. capacity offered at price 100.*

*Tenderer B. 80 % max. capacity offered at price 120.*

*Tenderer C. 60 % max. capacity offered at price 160.*

*Tenderer D. 10 % max. capacity offered at price 90.*

Tenderer C exceeds the cut-off price ( $160 > 150$ ) and is be rejected as non-compliant.

Tenderer D successful for 10 % at 90 (lowest price)

Tenderer A successful for 40 % at 100.

Tenderer B successful for 50 % (scaled down from 80 %) at 120 (highest price)

Totally awarded:  $10 \% + 40 \% + 50 \% = 100\%$  (complete).

#### Example 2:

*No cut-off price defined*

*Tenderer A 40 % max. capacity offered at price 100.*

*Tenderer B 10 % max. capacity offered at price 120.*

*Tenderer C 15 % max. capacity offered at price 160.*

*Tenderer D 40 % max. capacity offered at price 90.*

*Tenderer E 10 % max. capacity offered at price 170.*

Tenderer D successful for 40 % at 90 (lowest price)

Tenderer A successful for 40 % at 100

Tenderer B successful for 10 % at 120

Tenderer C successful for 10 % (scaled down from 15 %) at 160 (highest price)

Tenderer E is not awarded any capacity.

Totally awarded:  $40 \% + 40 \% + 10 \% + 10 \% = 100\%$  (complete)

#### Example 3:

*No cut-off price defined*

*Tenderer A (tender 1). 40 % max. capacity offered at price 100.*

*Tenderer A (tender 2). 5 % max. capacity offered at price 140*

*Tenderer B (tender 1). 20 % max. capacity offered at price 120.*

*Tenderer B (tender 2). 10 % max. capacity offered at price 170*

*Tenderer C. 10 % max. capacity offered at price 160.*

*Tenderer D. 25 % max. capacity offered at price 90.*

Tenderer D successful for 25 % at 90 (lowest price)

Tenderer A (tender 1) successful for 40 % at 100

Tenderer B (tender 1) successful for 20 % at 120.

Tenderer A (tender 2) successful for 5 % at 140.

Tenderer C successful for 10 % at 160 (highest price)

Tenderer B (tender 2) is not awarded any capacity.

Totally awarded:  $25 \% + 40 \% + 20 \% + 5 \% + 10 \% = 100\%$  (complete)

### **2.1.2 Maximum capacity of 100 % is not achieved**

If a capacity of 100 % on a lot cannot be reached (i.e. the process completes with a total capacity below 100 %), the procedure described below will be followed:

- A. The procurement procedure for the lot will be cancelled in total, or
- B. The procurement procedure for the lot will be partly cancelled (for the percentage of capacity lacking).

Please see the document "Instructions to the Tenderers", section 10, for further information about cancellation.

#### Example 4:

*No cut-off defined*

*Tenderer A 30 % max. capacity offered at price 100.*

*Tenderer B 10 % max. capacity offered at price 120.*

*Tenderer C. 15 % max. capacity offered at price 160.*

*Tenderer D 30 % max. capacity offered at price 90.*

Tenderer D successful for 30 % at 90 (lowest price)

Tenderer A successful for 30 % at 100

Tenderer B successful for 10 % at 120

Tenderer C successful for 15 % at 160 (highest price)

Totally awarded: 30 % + 30 % + 10 % + 15 % = 85 % (partly complete as 85% < 100%)

If a partial cancellation is made the contracting authority will seek the remaining capacity pursuant to article 50 (a) in Directive 2014/25/EU (the Utilities Directive), as there were no suitable tenders for this capacity, and the contracting authority's needs and requirements as specified in the procurement documents (i.e. a capacity of 100 %) are thereby not met. If this process turns out unsuccessful the contracting authority reserves the right to cancel the procurement procedure for the lot in total or award the contract on the basis of the partly completed capacity.

### **2.2 Designation of the lead insurer**

The role as lead insurer will be granted to the tenderer with the lowest price amongst the tenderers awarded a capacity according to section 2.1 with a minimum offered capacity of at least 20% to secure market commitment around the lead insurer.

In the event of equally priced and multiple qualifying tenders the lead insurer role will be granted to the tenderer offering the highest level of maximum offered capacity, who has offered a capacity above the minimum threshold of the lead insurer.

Should two or more tenderers offer the same (and lowest) price and the same (and highest) capacity, the lead insurer will be identified by a draw.

Example 5:

*No cut-off defined*

*Minimum capacity for lead insurer: 20 %*

*Tenderer A: 10% max. capacity offered at price 100*

*Tenderer B: 25% max. capacity offered at price 110*

*Tenderer C: 35% max. capacity offered at price 120*

*Tenderer D: 30% max. capacity offered at price 110*

All tenderers are awarded the contract according to the offered prices and the offered capacity, and full capacity (100 %) is achieved.

Tenderer A does not qualify as lead insurer as the offered maximum capacity (10%) is falling under the minimum threshold of 20 %. Tenderer B, C and D all qualify as designated lead insurer as the capacity offered meets the minimum threshold of 20 %.

Tenderer C is excluded from the role as lead insurer due to higher price ( $120 > 110$ ), whereas tenderer B and D both qualify with an identical price (110). Tenderer B is then nominated as lead insurer as tenderer B offers a capacity of 25% compared to tenderer D offering a lesser capacity up to 20% ( $20\% < 25\%$ ).

### **2.3 Awarding of Contract – process**

After deciding on the award of the lot, the contracting authority will notify all tenderers of the award decision. The notification of the tenderers who have submitted a compliant final tender, but who are not awarded the contract, will include a brief explanation of the relevant grounds for the decision, including the characteristics and advantages of the successful tenders as compared to the unsuccessful tender and the name of the successful tenderer(s), as well as information about the date of expiry of the standstill period.

Even though the contract has been awarded to another/other tenderer(s), the tenderer is bound by its tender until the contracting authority has signed the contract(s), but no longer than the date specified for the tenderer to keep open its tender.