



# Supply of electricity made from renewable sources for the year 2016

City of Krizevci

- 20% of electricity made from renewable sources
- Joint procurement



## Standard product / old tender = benchmark

- Replacement of  
conventional electricity  
729,56 t CO<sub>2</sub> emissions
- Energy consumption of  
118 t oe / year

## Primes GPP tender

- 20% green electricity
- 0 t CO<sub>2</sub> emissions
- 583,64 t CO<sub>2</sub> emissions

## Results

- 20% = 145,92 t reduction  
of CO<sub>2</sub> emissions

## Introduction to case

### 1.1 PITCH-TALK – SUMMARY

Every year the city of Krizevci contracts the electricity their objects are going to use, this year the city tendered electricity with minimum 20% of electricity made from renewable energy.

### 1.3 CASE CONTENT AND CASE ISSUE

In this case study it is described how the city of Krizevci with the implementation of green public procurement purchased 20% of energy made out of renewable sources instead of the standard energy. The procurement was made jointly by 2 public institutions and it incorporated the public lightning too.

### 1.4 SOLUTIONS APPLIED

As in previous cases the standard procurement was the lowest price scenario the city decided to go with the economically advantageous procedure in which it incorporated the most vital specification, the price would not be the only award criteria as the 10% of the award points would go to the bidder with the most green electricity offered.

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## Contract tendered

- Electricity from renewable energy sources for 6 public institutions and street lightning
- Approximate quantity of electric energy put up for tender for a year-based calculation was 2.392.000 kWh.
- 1 year contract
- Total cost: 155.000,00 € (excluding VAT)
- Economically advantageous tendering procedure
- This tender forms part of the EU supported project *Procurement in Municipalities focusing on Energy Efficient Solutions (PRIMES)*

## Procurement objectives

The ambition of the public tender was to increase the use of electricity from renewable sources and to improve sustainable consumption of energy in local government. The approach was to award the suppliers which offer more energy made from renewable sources.

## Procurement approach

Tendering followed the open procedure:

Procurement of electricity	
Technical specifications	Award criteria / most economically

<ul style="list-style-type: none"> <li>- Purchase of at least 20% electricity from renewable energy sources</li> <li>- <b>Verification:</b> : During the contract period, the tenderer must be able to present guarantees of origin of the electricity each quarter and any other time upon request.</li> </ul>	<p>advantageous tender:</p> <ul style="list-style-type: none"> <li>• 90% price</li> <li>• 10% for the offer of more than minimum of 20% of electricity from renewable sources</li> </ul>
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### Contract clauses

Upon completion of contract, selected bidder must provide a statement with supporting documentation as a proof that the delivered energy is made from renewable sources

## Criteria development

As award criteria was economically advantageous tender, procurer have used combination of two formulas to calculate points. Winner of tender was supplier with more points. Maximum of points that supplier could have was 100 (the sum of price points and points for green electricity). Additional points would be awarded in proportion to the electricity to be supplied from renewable energy sources above the minimum requirement in the specification.

Formula for price points was:

$$C = C_{min}/C_n \times 90$$

C – price points,

C<sub>min</sub> – the lowest price offer

C<sub>n</sub> – compared offer price

Green electricity formula:

$$Z = \frac{10}{Z_{max} - Z_{20}} \times (Z_y - Z_{20})$$

Z = green electricity points

Z<sub>y</sub> = % of green electricity in compared offer

Z<sub>20</sub> = asked 20% of green electricity

Z<sub>max</sub> = % from offer with maximum % of green electricity

$$\text{Total offer points} = C + Z$$

## Results

*Please list the obtained results (CO<sub>2</sub> reductions and energy savings achieved) including describing how energy savings and CO<sub>2</sub> emission reductions were calculated.*

Preferably in table format following the “Assessment table of GPP projects supported by the Task Forces” e.g.:

	Investment volume (€)	Energy savings (€/year)	CO <sub>2</sub> triggered (tCO <sub>2e</sub> /year)	RES triggered (toe/year)
Standard procurement – conventional energy	155.00	0	729,56	205
GPP – Green energy	155.500	0	583,64	164
Total savings	0	0	145,92	0

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## Lessons learned

In order to stimulate the production of energy from renewable sources , and to electricity made from RES to become more competitive than the one obtained from conventional sources , and to encourage the construction of new sources of renewable energy and achieving sustainable development, the City has determined that electricity must contain the above minimum percentage of electricity from renewable sources .

The requirement for renewable electricity had no impact on the purchase price, which is encouraging for future development of green procurement at the City

## Contact

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## About PRIMES

Across six countries in Europe; Denmark, Sweden, Latvia, Croatia, France and Italy, PRIMES project seeks to help municipalities overcome barriers in GPP processes, many of which lack capacity and knowledge.

PRIMES aims to develop basic skills and provide hands-on support for public purchasing organisations in order to overcome barriers and implement Green Public Purchasing. This will consequently result in energy savings and CO<sub>2</sub> reductions. – [www.primes-eu.net](http://www.primes-eu.net)

## About GPP 2020



GPP 2020 aims to mainstream low-carbon procurement across Europe in support of the EU's goals to achieve a 20% reduction in greenhouse gas emissions, a 20% increase in the share of renewable energy and a 20% increase in energy efficiency by 2020.

To this end, GPP 2020 will implement more than 100 low-carbon tenders, which will directly result in substantial CO<sub>2</sub> savings. Moreover, GPP 2020 is running a capacity building programme that includes trainings and exchange. – [www.gpp2020.eu](http://www.gpp2020.eu)



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