Supply of electricity made from renewable sources

City of Koprivnica

- 100% of electricity made from renewable sources
- Joint procurement

Standard product / old tender = benchmark
- Replacement of conventional electricity
- 1333,85 t CO₂ emissions
- Energy consumption of 118 t oe / year

Primes GPP tender
- 100% green electricity
- 0 t CO₂ emissions

Results
100% = 1333,85 t reduction of CO₂ emissions

This template is developed by GPP2020 and modified by PRIMES. For more information about GPP2020 check out www.gpp2020.eu
Introduction to case

1.1 PITCH-TALK – SUMMARY
Every year the city of Koprivnica contracts the electricity their objects are going to use, this year the city did something different, as it purchased green electricity for the first time in its history.

1.3 CASE CONTENT AND CASE ISSUE
In this case study it is described how the city of Koprivnica with the implementation of green public procurement managed to purchase 100% energy made out of renewable sources instead of the standard energy. The procurement was made jointly by 6 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.

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 3,500,000 kWh.
- 1 year contract
- Total cost: 193,500,00 € (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:

<table>
<thead>
<tr>
<th>Procurement of electricity</th>
<th>Award criteria / most economically advantageous tender:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Technical specifications</strong></td>
<td>• 90% price</td>
</tr>
<tr>
<td>- Purchase of at least 20% electricity from renewable energy sources</td>
<td>• 10% for the offer of more than minimum of 20% of electricity from renewable sources</td>
</tr>
<tr>
<td>- <strong>Verification</strong>: 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.</td>
<td></td>
</tr>
</tbody>
</table>

**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:

\[ C = \frac{C_{\text{min}}}{C_{n}} \times 90 \]

- \( C \) – price points,
- \( C_{\text{min}} \) – the lowest price offer
- \( C_{n} \) – compared offer price

Green electricity formula:

\[ \frac{10}{Z_{\text{max}} - Z_{20}} \times (Z_{y} - Z_{20}) \]

- \( Z \) = green electricity points
- \( Z_{y} \) = % of green electricity in compared offer
- \( Z_{20} \) = asked 20% of green electricity
- \( Z_{\text{max}} \) = % from offer with maximum % of green electricity

Total offer points = \( C + Z \)

Results

Please list the obtained results (CO2 reductions and energy savings achieved) including describing how energy savings and CO2 emission reductions were calculated.
PRIMES case study on >>insert title<<

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

<table>
<thead>
<tr>
<th></th>
<th>Investment volume (€)</th>
<th>Energy savings (€/year)</th>
<th>CO$_2$ triggered (tCO$_2$/year)</th>
<th>RES triggered (toe/year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard procurement – conventional energy</td>
<td>193,500</td>
<td>0</td>
<td>1333,85</td>
<td>385</td>
</tr>
<tr>
<td>GPP – Green energy</td>
<td>193,500</td>
<td>0</td>
<td>0</td>
<td>385</td>
</tr>
<tr>
<td>Total savings</td>
<td>0</td>
<td>0</td>
<td>1333,85</td>
<td>0</td>
</tr>
</tbody>
</table>

Lessons learned

Since it was first joint procurement and first procurement of green electricity, contract with supplier has been signed for one year period. Finally as joint procurement of green electricity was successful; it is possible next year to sign contract for two years or longer period and to have a more more ambitious criteria.

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

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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 CO₂ reductions. – 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 CO₂ savings. Moreover, GPP 2020 is running a capacity building programme that includes trainings and exchange. – www.gpp2020.eu
PRIMES case study on >>insert title<<

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Disclaimer

The above text contains general information on the referred procurement procedure. This information is for general guidance only and shall not be treated as legal advice. In case you have any questions related to the procedure please contact the partner as indicated in this document.