

Part 0.c DETAILED DEFINITION OF THE EVALUATION CRITERIA AND RULES OF THE TENDER EVALUATION

pursuant to Section 33 of Act No. 134/2016 Coll., on Public Procurement,
as amended (hereinafter referred to as the "PPA" or the "Act")

PUBLIC CONTRACT

"Modernization of WtE Plant SAKO Brno"

over-the-limit utilities contract for construction works awarded in a negotiated
procedure with prior publication as per provisions of Section 60 of the PPA



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1. Definition of evaluation criteria

1.1. Evaluation criteria

The tenders will be evaluated in accordance with Section 114 et. seq. of the PPA on the basis of their economic advantageousness. The most economically advantageous tender is the tender which, in summary, meets the defined evaluation criteria best.

Pursuant to Section 116 of the PPA, the contracting authority set out the following evaluation criteria:

Criterion	Evaluation criteria	Weight
K.1	Overall financial advantageousness	75 %
K.2	Quality of performance	25 %

The contracting authority reserves the right to award the same number of points to individual tenders in the evaluation of the above evaluation criteria, if the participants' tenders provide the same data or contain data indicating the same quality/standard of the offered performance, in particular for the purposes of evaluation based on evaluation criteria K.2 (including sub-criteria).

The most economically advantageous tender is the tender that receives the highest total number of points for all the evaluation criteria.

Considering the sub-criteria (K.2), the evaluation criteria are defined as follows:

	Evaluation criteria	Weight
K.1	Overall financial advantageousness	75 %
K.2	Quality of performance	25 %
<i>K.2.1</i>	<i>Proposed technology and solution concept</i>	<i>75 %</i>
<i>K.2.2</i>	<i>Technical guarantees</i>	<i>15 %</i>
<i>K.2.3</i>	<i>Environmental parameters</i>	<i>10 %</i>

2. Basic tender evaluation procedure

2.1. Participants ranking:

The contracting authority will evaluate the participants' tenders by means of a scoring method based on the following criteria in the manner set out herein below.

The participants will be ranked based on the awarded sum of points according to individual criteria in relation to values achieved as the sum for the evaluation sub-criteria in relation to each tender (in the case of K.2). Each tender will be awarded a point value that will reflect the success rate of the tender in relation to the relevant evaluation criterion or sub-criterion. A higher total score means a higher ranking within the given criterion or sub-criterion.

As regards the point score, the score for each evaluation criterion and evaluation sub-criterion will be rounded to two decimal places according to the mathematical rules of rounding; such rounding shall be performed by the participant in its tender.

The point values received by the participant within the individual sub-criteria will be weighed by the weight of the given sub-criterion. The points received for all sub-criteria within the relevant evaluation criterion will be added up and weighted by the weight of the relevant evaluation criterion; this will determine the point score of the tender awarded within the relevant evaluation criterion (K.2).

The individual point values received by the participant within the individual evaluation criteria K.1 and K.2 will be added up; the point values thus obtained will determine the overall score of the specific tender.

The participant with the highest total number of points will rank the first. A higher total number of points means a higher (better) ranking of the participant's tender.

In case of equality of points in the total sum, the tender with a higher point score according to the evaluation criterion K.1 will be considered better. In case of equality of tender points even after making comparison within this sub-criterion, the ranking will be determined by a higher point score within the evaluation criterion K.2.

For the purposes of tender evaluation, each participant is responsible for providing all data and information so that the contracting authority can properly evaluate the tenders according to the defined evaluation criteria, with the contracting authority requesting the most accurate description and information possible. Within the evaluation criteria K.1 and K.2, as well as within the individual sub-criteria, the participant shall provide a sufficient description so that the contracting authority can properly evaluate the tenders. A lack of data and information provided by the participant in the procurement procedure may result in a lower score. The data and information provided for evaluation purposes in the final tenders are also binding for the performance of the public contract, unless specified otherwise.

3. K.1 Overall financial advantageousness

- 3.1. Evaluation criterion K.1 has a weight of 75 %.
- 3.2. The participant's point score for the evaluation criterion *the Overall financial advantageousness (K.1)* will be calculated in the manner specified in the evaluation table, the binding model of which forms Part 0.d to the Procurement documentation (hereinafter referred to as the "**Economic model**").¹
- 3.3. The participant is obliged to fill in the Economic model according to the instructions and explanations given therein. Based on the Economic model, the overall financial advantageousness will be evaluated based on the total value of aggregated costs in the form of Net Present Value (NPV) consisting of
- a) the total Tender Contract Amount (including *selectable l options for negotiation pursuant to Article t 3.1 (b) and Article 3.9. of the procurement documentation, if the procedure is conducted based on option D2 pursuant to Article 3.1 of the procurement documentation*) (including the options requested by the contracting authority² and the contracting authority's savings thanks to a shorter period of performance offered by the participant³ including discount for financing in EUR⁴) (*Item " 1.1.8 Total tender Contract Amount ", in Part "1. Cena Díla/Contract Amount", sheet „Vstupy/Inputs”*);
 - b) Capitalized costs of guaranteed consumables consumption (*Items⁵ in part „2. Garantovaná spotřeba/ Consumption guarantee ”, sheet „Vstupy_Inputs”*);

¹The binding form of the Economic model is given in the form of an evaluation table with automatic calculation formulae and more detailed instructions are listed on the sheet entitled „Manuál_Manual”.

²In the event that the contracting authority decides not to require any of the options during the procurement procedure any longer, the Economic Model will be adjusted in this respect before inviting for the final tender submission. In the event that the contracting authority decides not to request any of the options after selecting the contractor within the procurement procedure, the price of the performance of the Works will be automatically reduced by the offered price of the options no longer requested pursuant to the Business terms and conditions/draft contract. The contracting authority decides not to request the option within the period specified in the contract. The binding form of the Economic model will be published in the "*.PDF" format until the end of the time-limit for submission of the requests to participate.

³ The binding model of the Economic model is given on sheet " *Inputs_Inputs*", part 1 "1. Cena Díla / Contract Amount " takes into account the savings generated by the contracting authority in relation to the shorter performance period offered by the participant, with a maximum performance period of 34 months; this shall be respected by the participant. Offering a longer than the maximum performance period will be considered by the contracting authority as non-complying with the procurement terms and conditions.

⁴ The binding model of the Economic model is given on sheet " *Inputs_Inputs*", part 1 "1. Cena Díla / Contract Amount reflects in the total tender price the contracting authority's savings in relation to any discount offered for financing in EUR in the maximum amount of 60 EUR million. .

⁵In the Economic model, these are the following items:

2.1.1 Spotřeba vody - kotel / water consumption - boiler

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- c) Costs of replacing the main parts of technology (Item "Reference regular fixed maintenance cost" in part "3. Hlavní spotřební díly a náklady na údržbu / Main wear parts and cost for maintenance", sheet „Jednotkové ceny /_Unit prices“) and costs of main technology wear parts over the reference period (Items in Part "3. Hlavní spotřební díly a náklady na údržbu / Main wear parts and cost for maintenance", sheet "Vstupy_Inputs"); and
- d) Revenues from guaranteed energy production (Item "4.2 Výroba energie / Energy production" in Part "4 and "4.1.1. Zpracovaný odpad/Processed waste in Part .4" Výstupní garantované parametry Linky / Output guarantees for the Line", sheet „Vstupy_Inputs“),
- e) Costs of externalities for emission production (Item 4.3 Produkce emisí/Emission production in Part 4". Výstupní garantované parametry Linky / Output guarantees for the Line ", sheet „Vstupy_Inputs“),

whereas the amount of costs and revenues according to letter (b) to (w) will be evaluated over a period of 25 years (planned service life) while taking into account the Weighted Average Cost of Capital (WACC) rate at 5% and while taking into account the year-on-year inflation rate and the minimum required operating time per year of operation, all this by using data according to Part 0.d and formula according to Part 0.e to the procurement documentation.

An additional criterion that the contracting authority can use when deciding on the next steps (choice between the OHB II and D2 options) following the submission of indicative tenders ⁶ can be the profitability index according to the appendix, Part 0.e.

- 3.4.** The point score for criterion K.1 The overall financial advantageousness will be calculated according to the following formula:

$$\frac{\text{hodnota hodnocené nabídky}}{\text{hodnota nejvhodnější nabídky}} * 75$$

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- 2.1.2 Spotřeba pitné vody / fresh water consumption
 - 2.1.3 Spotřeba močoviny / urea consumption
 - 2.1.4 Spotřeba nehašeného vápna / quick lime consumption
 - 2.1.5 Spotřeba hydroxidu vápenatého / hydrated lime consumption
 - 2.1.6 Spotřeba aktivního uhlí / active carbon consumption
 - 2.1.7 Spotřeba stlačeného přístrojového vzduchu / instrument air consumption
 - 2.1.8 Spotřeba stlačeného procesního vzduchu / process air consumption
 - 2.1.9 Odpad - škvára / IBA residue (nepodléhá garanci/not subjected to the guarantee)
 - 2.1.10 Popel z kotle a zbytky ze systému čištění spalin / Boiler ash and FGT residue
 - 2.1.11 Spotřeba ostatních chemikálií / Other chemicals consumption*

⁶This additional criterion will not be used for the evaluation of final tenders which will only be submitted for one technical solution.

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The contracting authority warns that if a result with a negative value is obtained on the basis of the calculation based on this formula, the evaluated tender of the participant will receive 0 points for this criterion.

4. K.2 Quality of performance

- 4.1. The evaluation criterion K.2 is sub-divided into 3 sub-criteria with a total weight of this criterion of 25%.
- 4.2. The point score for criterion *K.2 Quality of performance* will be calculated by summing up the score awarded for all sub-criteria K.2.1 to K.2.3 listed herein below. The method of evaluating these sub-criteria is described below under this Section 4.

4.3. K.2.1 Proposed technology and solution concept

As part of this sub-criterion the contracting authority will evaluate

- the quality of the solution to the key components offered by the participant,
- the method of implementing the project in terms of the solution offered for the key component implementation.
- layout of the construction and technological solution

In its tender, the participant shall draw up a concept for the public contract execution (hereinafter referred to as the **concept**"), which will describe in detail

- technical solutions to the individual parts of executing the works,
- method of implementing such executions,
- technologies and materials which the execution will be based on from the point of view of design and installation/assembly of the key components.
- the general view (scheme) of the layout of the whole plant (works), which will indicate the internal layout of the plant as well as its external layout (appearance),
- accesses and serviceability of the plant and limitations of these accesses/serviceability, including the definition of relevant measurement data (scale/dimensions) to make it obvious
 - how the building will be entered, through how many accesses, through what type of accesses,
 - plant access restrictions for the purpose of operating individual components of the boiler, grate and other key components,
 - how the main maintenance handling areas are addressed with respect to the operation of key components,
 - connection with the existing operation of the contracting authority.

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For the purposes of the tender evaluation, the contracting authority considers the following components as the key components:

- incineration grate
- incineration furnace and boiler design
- waste cranes
- turbine, by-pass, heating condenser (selectable option to be negotiated, will not be subject to evaluation if this option is applied by the contracting authority during the procurement process, i.e. this performance will not be implemented)
- flue gas treatment system including flue gas condensation (option 1 as per Appendix Part III, A.21)
- control system
- design of HV/LV system
- auxiliary technological operations

In addition to the technical descriptions and information concerning the key components, i.e. technologies and materials, the participant shall also define risks in relation to which the participant considers the proposed technologies and materials as the most appropriate for the contracting authority in the given case, i.e. what damages or other losses might occur if these components were not delivered in the form and quality offered by the participant.

During the evaluation, the contracting authority will approach the concept based on the following preferences (the following will contribute to a positive evaluation of the relevant tender):

- a) the concept (its philosophy) will result in a guaranteed execution of (technologically) maximally efficient works in the maximum quality, which will meet the requirements set out by the contracting authority in the procurement documentation,
- b) the concept will be comprehensible, fitting and will contain information necessary for the evaluation according to this sub-criterion, in relation to the key components separately as well as to their mutual functioning as a whole,
- c) the concept will contain information and data which will clearly indicate that it is a comprehensive and compact concept, however focused on (taking into account) the specific requirements and needs of the contracting authority according to the procurement documentation, as well as offering a comprehensive and robust solution that will guarantee future operation to the maximum extent with minimal risks and maximum simple and safe maintenance, as well as its maximum simple integration into the existing plant operated by the contracting authority,

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- d) the concept will define why the relevant technologies and materials of the key components are proposed and what, in the opinion of the participant, is their advantage (added value) over other possible solutions, while specifying why this technology was selected and, for example, why a different technology was not selected, particularly if such different technology is widely used,
- e) the concept offers high-quality, reliable, maximally standardized (uniform and integrated) technologies and materials (e.g. on one platform or line) for a maximum part of the performance and provides the contracting authority with a maximum guarantee of eliminating unexpected defects, interruptions or any other damage,
- f) the concept contains the most accurate procedures (process schedule) for the execution (design, installation/erection of the key components), including a clear strategy for the project progress implementation,
- g) The concept includes a solution to the operation philosophy with an adequate number of backup solutions/redundancies and a maximum degree of automating the key components operation.
- h) the concept will indicate that:
 - I. entrances and corridors to the plant are designed to guarantee maximum safety of the operators and equipment and their number corresponds to the requirements for maximum availability of key equipment components for operation and/or maintenance (e.g. uniform height arrangement or the key equipment components are easily accessible from the maintenance access level) as well as occupational health and safety standards,
 - II. the internal plant layout enables a maximum degree of availability and accessibility of individual key components of the plant for operation and/or maintenance while maintaining the necessary occupational health and safety standards (individual key components, especially frequently used, are as easily accessible as possible for their standard operation and/or maintenance),
 - III. the internal layout is designed systematically, the individual access points are logically/systematically connected to each other or designed as intuitively as possible, including escape routes,
 - IV. maximally simple connection for serviceability with the existing contracting authority's plant (e.g. uniform height arrangement or non-colliding servicing and handling routes).

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Each concept will be evaluated according to the following point scale (**Table No. 1**):

Verbal evaluation (extent to which the concept will result in meeting the parameters and preferences mentioned above)	Points
<p><i>corresponds to the maximum extent</i> - the concept is comprehensive, clearly defined in the required level of detail and takes maximum account of the specific needs and requirements of the contracting authority, it contains a range of reliable standardized technologies/materials to the maximum extent while listing their advantages over other solutions, the offered solution is highly comprehensive and robust, suitable process procedures for the implementation of execution are clearly given, the concept contains a very high degree of automation and redundancy of the solution as well as a clear definition of risks that can be eliminated by using key components offered by the participant, the concept guarantees the maximum level of occupational health and safety and appropriate access to individual key components, the internal layout also allows for maximum safe and as simple as possible access to the key components of the plant for the purpose of ease of operation or maintenance; the internal layout is intuitive and systematic with a very suitable design of escape routes; the proposed solution enables very easy serviceability of the plant also in relation to the existing operation of the contracting authority.</p>	100
<p><i>corresponds above standard</i> - the concept is comprehensive and defined above standard, to a high extent it takes into account the specific needs and requirements of the contracting authority, it contains a range of reliable standardized technologies/materials in a wide range while</p>	90

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<p>listing their advantages over other solutions, the offered solution is highly comprehensive and robust, the concept contains a high degree of automation and redundancy of the solution as well as a clear definition of risks that can be eliminated by using the key components offered by the participant, the concept guarantees a very high level of occupational health and safety and appropriate access to individual key components, the internal layout also allows for maximum safe and as simple as possible access to the key components of the plant for the purpose of ease of operation or maintenance; the internal layout is intuitive and systematic with a suitable design of escape routes; the proposed solution enables very easy serviceability of the plant also in relation to the existing operation of the contracting authority.</p>	
<p><i>corresponds very well</i> - the concept is comprehensive and very well defined, it sufficiently takes into account the specific needs and requirements of the contracting authority, it contains a range of reliable standardized technologies/materials to an extent above the minimum requirements while listing their advantages over other solutions, the offered solution is highly comprehensive and robust, suitable process procedures for the implementation of execution are clearly given, the concept contains a good degree of automation and redundancy of the solution as well as a clear definition of risks that can be eliminated by using key components offered by the participant, the concept guarantees a good level of occupational health and safety and appropriate access to individual key components, the internal layout also allows for maximum safe and as simple as possible access to the key components of the plant</p>	80

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for the purpose of ease of operation or maintenance; the internal layout is intuitive and systematic with a good design of escape routes; the proposed solution enables easy serviceability of the plant also in relation to the existing operation of the contracting authority.	
<p>corresponds adequately - the concept is defined to the required extent and takes into account the specific needs and requirements of the contracting authority, it contains a range of reliable standardized technologies/materials to the extent of the minimum requirements, i.e. the solution is comprehensive and robust, with a reasonable degree of automation and redundancy, as well as partial definition of risks that can be eliminated by using key components offered by the participant, the concept guarantees sufficient level of occupational health and safety and good access to individual key components, the internal layout also allows for maximum safe and as simple as possible access to the key components of the plant for the purpose of ease of operation or maintenance; the internal layout is intuitive and systematic with a good design of escape routes; the proposed solution enables good serviceability of the plant also in relation to the existing operation of the contracting authority.</p>	70
<p>corresponds on average - the concept does not contain some of the required concept elements (although the execution would have these elements but it was not adequately expressed in the tender) prepared so that it can be evaluated "corresponds to the maximum extent", "corresponds above standard", "corresponds very well" or "corresponds adequately", or</p>	40

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the solution does not contain a reasonable degree of automation or redundancy or a partial definition of risks that can be eliminated by using the key components offered by the participant	
<i>corresponds to a minimum extent</i> - the concept does not contain several of the required concept elements (although the execution would have these elements but it was not adequately expressed in the tender) prepared so that it can be evaluated as "corresponds to the maximum extent", "corresponds above standard", "corresponds very well" or "corresponds adequately", " or corresponds on average" or meaning of a number of pieces of information and internal connections in the concept are not entirely obvious	20
<i>does not correspond</i> - the concept has not been developed or it apparently contains principal shortcomings or ambiguities, or it completely omits the above preferences of the contracting authority	0

Point score for sub-criterion *K.2.1 The proposed technology and solution concept* is defined above through a point evaluation. The awarded point score of the participant's tender according to the above *Table No. 1* will be weighed by this sub-criterion; this will determine the point score of the participant's tender for this sub-criterion.

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4.4. K.2.2 Technical guarantees

Within this sub-criterion *K.2.2 Technical guarantees*, the contracting authority will evaluate the guaranteed period of continuous operation offered by the participant beyond the required minimum of 8000 hours pursuant to Section 2.3.1 of Part.III A20 Procedure for Guarantee Tests, which the participant is obliged to stipulate in integral (rounded) tens of hours (e.g. 8,250 hours) in accordance with Table No. 2 "Availability" of part II.g Guarantees. In this sub-criterion, the contracting authority will evaluate the total (absolute) guaranteed period of continuous operation. A tender with a longer guaranteed period of continuous operation is considered as a more suitable tender.

The score for sub-criterion *K.2.2 Technical Guarantee* will be calculated according to the following formula:

$$\frac{\text{hodnota hodnocené nabídky}}{\text{hodnota nejvhodnější nabídky}} * 15$$

For the purposes of tender evaluation, the longest guaranteed period of continuous operation is a permissible time of 10,000 hours. If a participant offers a longer period, a period of 10,000 hours will be used for the purposes of evaluating its tender (however, the time offered by the participant will be binding).

The participant must respect the shortest permissible (minimum) guaranteed period of continuous operation in the tender. If the participant offers a shorter period, it will be considered as non-complying with the procurement conditions.

4.5. K.2.3 Environmental parameters

In this sub-criterion *K.2.3 Ecological parameters*, the contracting authority will evaluate the numerical value of NOx emissions offered by the participant, which will be lower than the maximum⁷ determined according to Table No. 3 "Environmental compliance", part.II.g Guarantees. In this sub-criterion, the contracting authority will evaluate the total (absolute) guaranteed value of NOx emissions, which the participant is obliged to specify in integral (rounded) tens of mg/Nm³ (e.g. 100) or half tens (e.g. 105). A tender with a lower guaranteed emission value is considered as a more suitable tender.

The score for sub-criterion *K.2.3 Environmental parameters* will be calculated according to the following formula:

⁷The maximum permissible value is numerically expressed as 110 mg/Nm³.

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$$\frac{\text{hodnota nejvhodnější nabídky}}{\text{hodnota hodnocené nabídky}} * 10$$

For the purposes of tender evaluation, the lowest guaranteed value of NOx emissions shall not be lower than the value achieved while respecting the specifications defined by the contracting authority, i.e. the requirement for nitrogen oxide emission reduction method - selective non-catalytic reduction (SNCR), otherwise the participant will be awarded 0 points for this sub-criterion.

The participant shall respect the shortest permissible (minimum) guaranteed period of continuous operation in the tender. If the participant offers a higher value, it will be considered as non-complying with the procurement conditions.

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5. List of appendices

Part 0.c to the Procurement documentation - Detailed definition of the evaluation criteria and rules of tender evaluation further refers to the following parts of Procurement documentation:

Part 0.d: Binding form of the Economic Model

Part 0.e: Formula for economic model calculation