



Invitation to Tender

“Offshore Industries Integrated Regional Operation, Maintenance, Training & Service Capability”

1 SUMMARY

Renewables East (“RE”) is engaged in programmes with both the East of England and East Midlands Development Agencies (EEDA & EMDA). As part of this remit, RE is supporting the capture of an enhanced regional economic benefit from the long-term, post-development phase of large scale offshore wind energy projects, including an integrated approach to the following activities:

- (i) construction;
- (ii) operation & maintenance;
- (iii) scheduled routine service;
- (iv) training provision;
- (v) component and sub-system spares provision.

Specifically, this ITT invites capable businesses, consultants and service providers to contribute to the realisation of RE’s overall integrated proposition through delivering the scoping studies needed to complete the overall capital feasibility study upon which significant public sector investment would be based.

2 Background to Invitation to Tender

The East of England is the leading English region for renewable electricity, currently producing 9% of the electricity it uses from renewable sources. It benefits from wide scale deployment of **bio energy** (for example the world’s first chicken litter electricity plant at Thetford, the UK’s first **bio ethanol** plant at British Sugar Wissington, and the world’s fastest biofuelled car at Lotus in Norfolk) and 2007 saw a record year for deploying on shore renewable energy. The region’s coast is also surrounded by the majority of the UK’s Rd1, Rd2 and [proposed] Rd3 offshore wind installations, with around £50 billion capital investment anticipated by 2020 as well as being the host region for **OrbisEnergy**, a Centre of Excellence focussed wholly on R&D, innovation, business development & growth for offshore wind, wave and tidal technologies. As a result, the region is well on target to meet its 2010 target of 14% electricity from renewable sources and has also been engaged by the East Midlands Development Agency to increase exploitation of the sector growth in offshore renewables.

In order to further strengthen the regional renewable energy proposition, RE is carrying out feasibility studies to underpin the business case for additional infrastructure projects which, if realised, will enhance the region’s ability to (1) capture economic benefit for businesses, (2)

develop high calibre skills, and (3) increase knowledge holding in each of the areas of Primary Renewable Energy (Heat, Electricity & Transport Fuels). Each feasibility study will lead to a full Green Book business case assessment on which capital investment decisions can be based.

This ITT relates to the region's leading role in developing the Offshore Renewables Sector and builds upon a research study¹ and industry engagement already delivered by RE, which highlights some of the factors involved in delivering high operational availability (reliability) for Rd1 & Rd2 wind farms.

Delivering this particular regional offering will not only help position the East of England as being at the centre of the long term (5-20 year) operation & maintenance agenda for existing Rd1 & Rd2 offshore wind farm developments, but will ensure that short, medium & long term strategies are developed ahead of the prolific step-change needed to effectively deliver the larger Rd3 projects in deeper water, further out to sea.

Development of an integrated regional approach will also lead to (i) Sustainability through increased reliability of these large generating assets; (ii) job creation & growth; (iii) skills development; (iv) knowledge accumulation & growth (for recirculation back into the regional innovation agenda); (v) inward investment & hence regional economic regeneration.

3 About Renewables East

Renewables East is a private company delivering the services associated with being the renewable energy agency for the East of England. The Company is funded by the East of England Development Agency (EEDA) and officially designated as an EEDA sister organisation. For the year 2008/09, **RE** has been allocated £2.4M from various sources including EEDA, EMDA, EU, Local Authorities and central government to continue its mission.

The objectives of the Company are:

- a. To enable the East of England to meet its adopted target for the production of energy from renewable resources, within the context of national energy policy and the need to move towards a lower carbon economy; and
- b. To maximise the rate of growth of the renewable energy sector and the economic benefits to the East of England and East Midlands' regions, especially through stimulating investment and job opportunities, supply chain development and innovation.

RE's primary work areas are Bioenergy (Biomass and Biofuels,) Offshore/Onshore Wind and the emerging marine renewables (i.e. Wave & Tidal technologies), Planning, Supply Chain Development and the On-site Renewables agenda. If you have not already done so, you may find a visit to our web-site useful www.renewableseast.org.uk.

4 Scope of work

¹ Study will be made available by **RE** to the successful bidder(s)

Gap Analysis - Market Demand and Need (Phase 1)

This package of studies is specifically focussed on defining any gap between:

- (a) the existing regional offering within both the public & private sectors; and
- (b) the emerging needs of the offshore wind energy industry.

The analysis will not only help define the relevant stakeholders (statutory & other) fundamental to achieving a positive outcome over the next three to five years (completion of Rd1 & Rd2 projects), but also will help define their longer term needs through to 2020 (Rd3).

The successful bidder(s) will have the capability to provide one or all of the following support packages:

Package 1 - Labour

This package of work is specifically focussed on highlighting the human resource aspects of meeting, within the region, the growing needs of the sector through to 2020, including:

- a) The ability of the regional output of trained electrical and mechanical engineers (HNC/D or higher or ex-armed forces equivalent) to meet the industry growth in terms of both quantity and qualification targets;
- b) The likely ongoing employment model for maintenance staff as they potentially transition from being employed by the OEM's during the initial five year Warranty period, through to the long term (15-20 year) post-warranty phase;
- c) Preferred model for locating/housing maintenance staff (floating 'hotels') or off-season holiday accommodation, and its likely impact on the local economy.

Package 2 - Occupational training

This package of work is specifically focussed understanding the product/technology specific training needs of the sector going forward, including the existing provision of occupational safety and simulation training and its adaptability (or otherwise) to meet the existing & potentially changing accreditation requirements of the offshore wind industry.

Package 3 – Capital Infrastructure

This package of work is specifically focussed on highlighting the changing physical & geographic infrastructure needs of the growing sector through to 2020, including:

- a) the size, spatial requirements & nature of the OEM's shore-side facilities, including spares storage i.e. the balance between secure/dry/environment control vs. lay-down/sheds, and whether that is being met by the market and/or region itself;
- b) the shore-to-wind-farm transport requirements (sea vs. air, or a combination thereof) and the resulting capital investment needs/gaps (boats, helicopter, helipad on and offshore, pilot requirements).

Package 4 – R&D / Innovation through Knowledge Accumulation & Growth

This package of work is focussed on gaining a greater understanding of how operational data about efficiency & reliability of operating the larger offshore wind farm assets can not only be accumulated but can also be effectively leverage into the regional R&D/Innovation agenda, for both technology enhancement, but also for new product development too.

By delivering these four components, this first phase of work will accurately capture the nature of the regional needs both in terms of ‘people’ and ‘capital infrastructure’ too, and will hence inform the analysis of what, if any, market failures exist, and hence the specific nature of investment needed to overcome them.

5 Outputs & Timings

The combined outputs of these scoping study work packages are to be completed by end of Q4 2008/9 (by **31 March 2009**). These outputs will effectively provide the framework of activity and associated critical path programme needed to allocate both funding and resource for delivering the overall feasibility study during Q1-Q3 2009/10 (by **31 Dec 2009**). Ultimately, the feasibility study must provide the basis of a full Green Book business case on which capital investment decision(s) can be based and as such, the scoping studies will need to contain insight into how empirical data can and should be gathered through the feasibility stage in order to address competition analysis, demand and need, affordability and capacity criteria, technical and build spec criteria, innovation support criteria and information in support of market access and timescales, simultaneously identifying synergy and avoiding duplication.

6 Tender Details

Responses to this invitation to tender must be received by **Renewables East** no later than **1600 hours on Friday 23 January 2009** and should be sent via email to:

John Heath
Delivery Manager
Renewables East
ZICER Building, School of Environmental Sciences
University of East Anglia, Norwich
NR4 7TJ
johnheath@renewableseast.org.uk

Responses should be submitted electronically, and should include your total fees (including the number of people involved, their daily rates, plus any expenses and VAT), evidence of previous experience, and any additional value you can add.

The successful applicant will be notified by Friday 30 January 2009 at the latest and must be in a position to start work immediately upon notification i.e. Monday 2nd February 2009.

The materials produced will be the property of **Renewables East** and will need to be supplied in formats (hard copy and/or electronic) that can be reproduced by us without further project cost.

7 Tender Process & Assessment

Tenders should be no longer than ten pages, including a two page Executive Summary. Further information and evidence can be included in the form of appendices.

Above all else, the successful tenderer will clearly articulate specifically HOW the work package(s) will be delivered, stating how resource will be deployed to stay within the budget and timescale. All tenderers should, for example, provide clear information and methodology regarding the balance of (i) desk-based, (ii) telephone and (iii) face to face research that is proposed to be undertaken.

In broad terms, tenders will be assessed against the following criteria:-

20% - Value for Money: Clear, concise evidence of how the tenderer will not only deliver the scope, but will deliver a greater/wider value to the overall project/programme.

50% - Track Record: Demonstrable (evidenced) examples of knowledge and experience in delivering work packages of a similar nature on time and to budget. Ideally, experience will have been gained either in the area of energy/utility-related operation, maintenance, service or training projects; and/or public/private partnership (PPP) projects.

30% - Stakeholder Engagement, Reporting & Management: Demonstrable (evidenced) examples of existing relationships developed up and down the value chain within relevant public, private, academic, skills, training and/or NGO stakeholder groups which could be leveraged to positively benefit this programme. Evidence should be provided about the tenderer's ability to successfully monitor and report on behalf of **all** stakeholders, either to inform strategy and decision making, or purely for the purpose of disseminating information.

8 Fees

The budget available for this work cannot exceed:

Package 1 (Labour/Workforce) : GBP£10,000.00 ("Ten Thousand Pounds")

Package 2 (Occupational Training) : GBP£10,000.00 ("Ten Thousand Pounds")

Package 3 (Capital Infrastructure) : GBP£10,000.00 ("Ten Thousand Pounds")

Package 4 (R&D / Innovation) : GBP£5,000.00 ("Five Thousand Pounds")

All prices are inclusive of VAT and any materials/expenses incurred in the course of this work and will be released in line with tangible evidence of progress against milestones.

9 Further Information

Should you require any further information on this brief to complete your tender submission, please contact John Heath by e-mail or post: JohnHeath@RenewablesEast.org.uk

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10 Restricted and Commercially Confidential

PLEASE NOTE THAT THE INFORMATION AND ASSOCIATED DOCUMENTS SUBMITTED IN RESPONSE TO THIS INVITATION TO TENDER AND ALL SUBSEQUENT INFORMATION RELEASED TO TENDERERS SHALL NOT BE AVAILABLE IN THE PUBLIC DOMAIN AND SHALL REMAIN COMMERCIALY CONFIDENTIAL. THE INFORMATION IS NOT TO BE USED FOR ANY PURPOSES OTHER THAN TO RESPOND TO THE TENDER.