### Public Invitation-Call for Accepting Bidders into the Qualification System through Web-Based Platform

For Concluding Day-Ahead Contract on Electricity Procurement for the Requirements of the Universal Electricity Supplier

**Public Invitation-Call Number: PIC 02/19** 

Skopje, January 2020

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#### **PART I: Contracting Entity**

I.1) Information about the Contracting Entity

I.1.1) Name of Contracting Entity: **EVN HOME DOO Skopje Company for Procurement of Universal Service of Electricity Supply** 

I.1.2) Address: Lazar Lichenoski no. 11

I.1.3) City and postal code: **Skopje 1000** 

I.1.4) Website: www.evn.mk

I.1.5) Contact person:

**Blagica Popovska**, email: <a href="mailto:blagica.popovska@evn.mk">blagica.popovska@evn.mk</a> Telephone: +389 72 933 667 **Marjan Stojanov** email: <a href="mailto:Marjan.Stojanov@evn.mk">Marjan.Stojanov@evn.mk</a> Telephone: +389 72 931 347

I.1.6) Additional information, as well as tender documentation may be obtained at <a href="mailto:bids.home@evn.mk">bids.home@evn.mk</a>

#### **PART II: Subject of the Public Invitation-Call**

On the basis of Article 101, paragprah (1), point 6) of the Law on Energy (Official Gazette of RM, no. 96/2018) and Article 3, paragraph (3) of the Rules of Electricity Procurement for the Requirements of the Universal Supplier (Official Gazette of RM no. 172/2018), EVN Home DOO Skopje, as holder of the license for a Universal Electricity Supplier issues a:

### Public Invitation-Call for Accepting Bidders into the Qualification System through Web-Based Platform

## For the Purposes of Concluding Day-Ahead Contract on Electricity Procurement for the Requirements of the Universal Electricity Supplier

#### 1. Procurement Subject

Issuing of a Public Invitation-Call by EVN Home DOO Skopje for accepting bidders into the qualification system through a web-based platform for the purposes of concluding a framework contract on electricity procurement for the requirements of households and small consumers on the organized day-ahead market.

#### 2. Definitions and Abbreviations:

(1) Certain terms used in this Public Invitation-Call shall have the following meaning:

Day-Ahead Framework Contract on Electricity Procurement	A contract concluded between the Qualified Bidder and the US.
Bidder	Generators, suppliers and/or traders with electricity from the Republic of North Macedonia and/or abroad registered in compliance with the legal regulations of the Republic of North Macedonia and holders of appropriate licenses issued by the Energy Regulatory and Water Services Commission of the Republic of North Macedonia, as well as an EIC code issued by the AD MEPSO, i.e. competent foreign institutions.
Qualified Bidder	Bidder that has concluded a Day-Ahead Framework Contract with the US.
Selected Bidder	Qualified Bidder selected as the most advantageous bidder in the electricity procurement procedure and invited to conclude an Individual Contract with the US.
Public Invitation-Call for Accepting Bidders in the QS for the Purposes of Day-Ahead Procurement	Document to be published through a web-based platform and two daily newspapers in the Republic of North Macedonia, available at <a href="https://www.evn.mk">www.evn.mk</a> .
Day-Ahead Electricity Procurement	Procedure conducted by the US in compliance with the Rules of Electricity Procurement for the Requirements of the Universal Supplier, adopted by the ERC.
Day-Ahead Individual Contract on Electricity Purchase (IC)	Purchase Contract between a qualified bidder and the US, defining the commercial terms for electricity purchase on the day-ahead market.
Bid	Offered service trading fee for the requested day-ahead quantity submitted by a qualified bidder.
Request for Bids for Day-	Electronic document sent by the US to all qualified bidders via e-mail and/or

Ahead Electricity Procurement Issued to Qualified Bidders (RB)	web-based platform, defining precisely the terms of conducting the process of electricity procurement on the day-ahead market.
Procedure for Selection of the most Advantageous Bid for a Day-Ahead Service Trading Fee	Schedule of events related to electricity procurement starting by issuing of an RB by the US, delivery of bids by qualified bidders, evaluation and selection of the most advantageous bidder and conclusion of a Day-Ahead Individual Contract with the selected bidders or delivery of notice that no bidder has been selected for the conclusion of a Day-Ahead Individual Contract.
Daily Day-Ahead Electricity and Electric Power Delivery Schedule	Daily Day-Ahead Electricity and Electric Power Delivery Schedule (MW) for each hour over a 24-hour delivery period, CET, i.e. 23 or 25 hour-period for the days of daylight saving change

#### (2) The abbreviations used in this Public Invitation-Call stand for:

US	Universal Supplier of Electricity providing electricity supply as a universal service, as well as electricity supply of last resort (name of legal entity).
ERC	Energy Regulatory and Water Services Commission of the Republic of North Macedonia
FC	Day-Ahead Framework Contract
IC	Day-Ahead Individual Contract
RB	Request for bids for day-ahead electricity procurement to all qualified bidders
QS	Qualification System
DDS	Daily Day-Ahead Electricity and Electric Power Delivery Schedule

#### 3. Qualification System Validity Period

The Qualification System term of validity:

From the day of publishing the Public Invitation-Call for acceptance of bidders into the qualification system through a web-based platform until the day of validity of the License for Performing Energy Activity of Electricity Supply, as well as Universal Service of Electricity Supply and Electricity Supply of Last Resort – 1 July 2024.

#### Additional Information

All bidders interested in entering the qualification system of the above-mentioned item should submit the required documentation through the web-based platform **at the latest 10.02.2020 24:00**, per local time, **as the initial deadline for bids delivery**. Following expiration of the initial deadline for submission of bids for entry in the QS, interested bidders may submit an additional bid for entering the established qualification system, at any given time during the period of validity of the qualification system.

Date of publishing: 30.01.2020

#### 4. Right to Participation in the Public Invitation-Call

Generators, suppliers and/or traders with electricity from the Republic of North Macedonia registered at the Republic of North Macedonia and/or abroad, holding license for performing a relevant energy activity issued by the Energy Regulatory and Water Services Commission of the Republic of North Macedonia, as well as an EIC

code issued by AD MEPSO, i.e. competent foreign institutions, and fitting the criteria determining capacity for participation in the qualification system are entitled to participate in the Public Invitation-Call for accepting bidders into the qualification system through a web-based platform and showing interest for concluding a FC on an organized day-ahead electricity market.

The US retains the right to modify or amend the QS.

### 5. Procedure for Awarding a Contract on Electricity Procurement on an Organized Day-Ahead Electricity Market

The US shall procure electricity for supplying consumers fitting the category of households and small consumers supplied by the US by means of transparent, non-discriminatory and competitive procedures.

The procedure is structured in the following way:

# A) Public Invitation-Call for Accepting Bidders into the Qualification System through a Web-Based Platform

The US establishes and manages a qualification system of bidders by means of a web-based platform for the time period during which the US has been selected or appointed to provide a universal service of electricity supply.

#### B) Request for Accepting Bidders into QS

All bidders interested to enter the qualification system in relation to the above-mentioned item should submit a request for entering the qualification system and submit all documentation outlined in this Public Invitation-Call through the web-based platform in the manner determined in the Instructions for Use of the Web-Platform, attached to this Public Invitation-Call for Accepting Bidders into the QS.

The submitter is obligated to state the official e-mail address for communicating in reference to the subject of this Call for Accepting Bidders into the QS.

#### C) Evaluating Bidder Capacity

The evaluation of bidders' capacity for entering the qualification system through a web-based platform is performed by US authorized persons within 30 days from request submission. Following delivery of documents by the bidder outlined in point 6 of this Public Invitation-Call for Accepting Bidders into the Qualification System, persons authorized by the US review the validity of the documents (issued in less than 6 months from the day of submission of the Request for Accepting Bidders into the QS).

If the bidder's request for entering the QS is incomplete, the US allows the bidder an additional deadline of 7 days to complete the request. The bidder submits the additional documents through the web-based platform.

Following evaluation, the US may accept or reject the Request for Accepting Bidders into the Qualification System.

US authorized persons inform the bidder of its acceptance into the QC and invite the bidder to conclude a FC with the US in order to acquire the qualified bidder status and participate in the electricity procurement process for the requirements of households and small consumers on the organized day-ahead market.

The bidder may file a complaint against this decision to the ERC.

#### D) Concluding FC

Only bidders meeting the criteria for acceptance into the qualification system through a web-based platform are entitled to conclude a FC on electricity procurement for the requirements of households and small consumers with the Universal Supplier.

Bidders selected to conclude a FC with the US shall be considered qualified bidders and may participate in the electricity procurement procedures conducted by the Universal Supplier.

#### E) Request for Bids for Day-Ahead Electricity Procurement Issued to Qualified Bidders (RB)

All qualified bidders shall receive an RB through an electronic web platform and/or e-mail if an electricity procurement and IC conclusion procedure has been initiated. Each RB shall include information, guidelines and rules for bid submission applying to the bidder. By submitting the bid, the bidder accepts entirely the rules defined in the RB and obliges to observe them in the process of electricity procurement on the day-ahead market.

#### F) Selecting the Most Advantageous Bidder

The ranking of the most favorable bidders shall be carried out by the persons authorized by the US through bid evaluation based on creating a "Merit Order List". The Merit Order List is arranged in an ascending order, the bid with the lowest Service Trading Fee for the requested day-ahead quantity ranking as first. The Service Trading Fee is considered to be the primary criterion for ranking and selection of the bids. The receipt time of the bids shall be considered the secondary criteria if two or more bids offer the same Service Trading Fee. In this instance, the bid recorded as submitted the earliest shall take precedence. The selection of the most advantageous bidder shall be carried out by the legal representative of the US, taking into consideration the ranking of the most advantageous bidders in line with the criteria of this Public Invitation-Call .

#### **G) Results Announcement and Notifying**

The results from the procedure for selecting the most advantageous bid for a Service Trading Fee conducted for the purposes of the US are announced via e-mail to all qualified bidders participating and placing valid bids in the electricity procurement procedure in compliance with the instructions and rules defined in the RB.

#### H) Signing a Day-Ahead Individual Contract on Electricity Procurement

The US shall submit the IC to the selected bidder, while the selected bidder shall sign and submit the IC to the US within five days of contract receipt; otherwise, the selected bidder shall be considered as having renounced the contract, entitling the US collection of the bid guarantee. The IC shall lay down the rights and obligations of the US and the qualified bidder.

#### 6. Criteria for Determining Bidder Capacity for Entering the Qualification System

To enter the qualification system, bidders are required to submit the following documents:

- 1. Statement by the competent authority that no bankruptcy procedure has been initiated;
- 2. Statement by the competent authority that no liquidation procedure has been initiated;
- 3. Statement from the Register of penalties for crimes committed by legal persons stating that no minor temporary penalty on carrying out a particular activity has been pronounced;
- 4. Statement from the Register of penalties for crimes committed by legal persons stating that no permanent interdiction on carrying out a particular activity has been pronounced;
- 5. Statement from the Register of penalties for crimes committed by legal persons stating that no minor penalty on prohibition of participation in public bid procedures, awarding of public procurement contracts or public private partnership contracts has been pronounced;
- 6. Statement from the Register of penalties that no misdemeanour sanction interdiction on carrying out profession, action or responsibility has been pronounced by means of an effective court decision;
- 7. Statement from the Register of penalties that no misdemeanour sanction that no misdemeanour sanction temporary interdiction on carrying a particular activity has been pronounced by means of an effective court decision;
- 8. Document confirming registered activity of the bidder, serving as evidence that it has been registered as a legal entity that carries out the activity of sale and purchase of electricity, issued by a competent authority;
- 9. Current Status Excerpt issued by a competent authority;
- 10. Confirmation of settled taxes, contributions and other public duties issued by a competent authority in the country where the bidder is registered;

- 11. Notice by AD MEPSO or foreign institutions on approved and registered ENTSO-E Identification Code (EIC) or such statement submitted by the bidder;
- 12. Statement on accepting the terms of the FC and IC irreversibly and unconditionally;
- 13. Statement containing the official email address of the bidder for communicating with the US, as well as the names of other authorized persons and their email addresses which they will use in the upcoming procedures for electricity procurement for the requirements of the US.

All specified documents shall be submitted through the web-based platform, signed and verified by the bidder with a stamp reading "верно на оригинал" (faithful to the original) and bearing the seal of the company submitting the documents, or be verified by a notary public.

In the Republic of North Macedonia, the Central Registry issues certificates 1 to 9, the Public Revenues Office issues documents marked 10, while the bidder issues documents 12-13.

If the country where the bidder is registered does not issue some of the required documentation referred to in this point, or if it does not cover all of the abovementioned cases, the bidder may submit a statement of non-existence of the required documentation, verified by the competent authority of the country where it is registered.

The documents should comply with the legislation of the country where the entity responding to the open call is seated and not be older than six months.

Note: Incomplete requests for acceptance into the qualification system through the web-based platform for day-ahead electricity procurement with incomplete documentation shall not be considered valid until they are fully completed. Submitted attachments shall not be returned.

The qualified bidder shall notify the US of each alteration of the above-mentioned documents within 7 (seven) days.

#### 7. Prices and Amounts

The Service Trading Fee for the delivered electricity shall be part of the price  $(P_{h1})$  at which the US shall purchase the electricity delivered in the MEPSO grid on a daily basis from the selected bidder. The hourly price  $(P_{h1})$  shall be the sum of the electricity prices fetched at:

- the daily market of the Hungarian Power Exchange (HUPX DAM<sub>h</sub>(HU)) for the relevant hour, HUPX<sub>DAMh(HU)</sub>,
- the Service Trading Fee

P<sub>h1</sub> =HUPX<sub>DAMh(HU)</sub> + Service Trading Fee

where:

**HUPX**<sub>DAMh(HU)</sub> - Electricity price on the daily day-ahead market (DAM) of the Hungarian Power Exchange (HUPX) at each hour, published at <a href="https://www.hupx.hu">www.hupx.hu</a> as "Hourly prices and and volumes",

**Service Trading Fee** – Trading service, subject to this Request, expressed in EUR/MWh.

For optimization purposes, the US may request the sale of the energy surplus that might arise in the MEPSO grid on the day-ahead market from the selected bidder that concludes the IC on day-ahead procurement of electricity for the requirements of the US.

The price  $(P_{h2})$  at which the electricity of the selected bidder will be sold shall be the energy price fetched on the daily market (HUPX  $_{DAMh}$ ) of the Hungarian Power Exchange (HUPX) at the relevant hour, reduced by the Service Trading Fee.

- → the daily market of the Hungarian Power Exchange (HUPX<sub>DAMh</sub>) at the relevant hour, HUPX<sub>DAMh</sub>,
- → the Service Trading Fee

 $P_{h2} = HUPX_{DAMh(HU)}$  - Service Trading Fee

All additional expenses arising in relation to the electricity delivered by the selected bidder should be contained in the Service Trading Fee and borne by the Seller.

The sum at hourly level (EUR) for the delivered electricity shall be the product of the delivered electricity quantity and the hourly price ( $P_{h1}$ ), while the sum at hourly level (EUR) for the sold energy surplus shall be the product of the sold electricity quantity and the price at hourly level ( $P_{h2}$ ).

The monthly sum (EUR) for the delivered electricity shall be the sum of all the hourly sums for electricity delivered during the respective month of delivery, while the monthly sum (EUR) for the sold energy surplus shall be the sum of all the hourly sums for electricity sold during the respective month of delivery.

#### 8. Minimum Number of Bidders

The minimum number of bidders that should enter the qualification system during the establishing and validity of the system shall not be less than 3 bidders.

#### 9. Remaining Provisions

The bidder shall bear all costs incurred in the preparation and submission of documents related to the Public Invitation-Call .

Only complete documentation in line with item 6 of this Public Invitation-Call shall be taken into account by the US.

Any issues relating to this Public Invitation-Call should be sent in writing through the appropriate web platform and/or at the following e-mail address: bids.home@evn.mk.

#### 10. Administrative and Additional Information

Appendix 1 of this Public Invitation-Call includes the **Instructions for Use of the Web Platform**, which aquaints interested bidders with the rules for using the qualification system and the web-based platform.

Appendix 2 of this Public Invitation-Call represents the Request for Accepting Bidders into QC.

#### 11. Procurement Contract Model

Appendix 3: Day-Ahead Framework Contract on Electricity Procurement

Appendix 4: Day-Ahead Individual Contract on Electricity Procurement

#### 12. Statement on Acceptance of Terms Included as an Appendix

Bid documentation submitted by the bidder shall be accompanied by a Statement on Acceptance of Terms.