



Environment and Spatial Planning
*Ministry of Housing, Spatial Planning and
the Environment*

Criteria for the Sustainable Public Procurement of **Electricity**

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These criteria for Sustainable Public Procurement were developed by NL Agency at the request of the Ministry of Housing, Spatial Planning and the Environment (VROM). The programme for sustainable operational management for public authorities (DBO) is a joint initiative of the Dutch Government, the Association of Netherlands Municipalities (VNG), the Association of Provincial Authorities (IPO) and the Association of Water Boards (UvW).

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1 Introduction

The Dutch government wants to take concrete steps towards a sustainable society, and to set a good example. Each year, government organisations spend more than EUR 50 billion on the purchase of Supplies, Services and Public works. By purchasing sustainably, the government can significantly boost the market for Sustainable Public Products. Governmental authorities have set clear objectives to achieve this: the central government is aiming for 100% Sustainable Public Procurement in 2010, while the municipalities aspire towards 75% in 2010 and 100% in 2015. Provincial governments and water boards have set themselves the target of at least 50% in 2010. 100% Sustainable Public Procurement is understood to mean that all purchases meet the minimum requirements that have been set for the relevant product groups at the time of purchase. More information on this topic is available from the website Sustainable Procurement (www.agentschapnl.nl/sustainableprocurement).

NL Agency supports government authorities in various ways to help reach these objectives. These include developing criteria for Supplies, Services and Public works procured by these authorities. This document focuses on the criteria for the Electricity, the elaboration of the criteria in specification texts and a more detailed assessment of the criteria, as well as a number of points for attention in the pre- and post-procurement stages. Additional background information and considerations regarding the content of the criteria can be found in the criteria document on the website Sustainable Procurement www.agentschapnl.nl/duurzaaminkopen/criteria, available in Dutch only.

1.1 Definition of the product group

The Electricity product group comprises electricity as distributed and consumed in the Netherlands via the electricity network. The standard product is grey power as supplied by the energy suppliers in the liberalised electricity market. Renewable electricity is also covered by these criteria.

For the benefit of the contracting authority, a number of CPV codes that might be of relevance to this product group have been included in this document. This selection is by no means exhaustive or complete. The contracting authority retains responsibility for compiling the correct set of CPV codes that matches the relevant tender.

The following CPV code applies to this product group:

09310000-5 Electricity

2 Sustainability in the procurement process

The criteria in this document have been classified in the various steps of the public procurement process. More information about these steps and how to combine them with sustainability can be found in the Sustainable Public Procurement Manual. This manual can be downloaded from the website Sustainable Procurement www.agentschapnl.nl/sustainableprocurement.

2.1 Preparatory stage (points for consideration)

Every purchase or call for tender starts with drawing up the inventory of the needs of the internal or external customer. Sustainability can be incorporated into this stage by considering whether the purchase is truly necessary and whether a more sustainable alternative might be available. Specific points for consideration regarding procurement for the Electricity product group are:

Energy savings

Energy savings can be realised by changing the design of a process (whereby different types of equipment are installed) and through the installation of energy efficient equipment. The highest gain can be achieved by focusing on the power consumed by a piece of equipment during its entire lifespan when purchasing new electric equipment (such as electrical motors, office equipment, lighting). The usually somewhat higher cost of acquiring energy efficient equipment is offset by reduced power consumption, whereby the time required to recover the additional cost of the equipment generally takes only a few years. The Sustainable Public Procurement website also includes criteria for purchasing equipment. Aside from this, the power consumed by existing equipment also constitutes an area for attention, particularly the unnecessary power consumed in the equipment's standby mode.

Power generation

The in-house generation of renewable electricity (for example, wind and solar energy) is a possibility for wholly or partially meeting in-house electricity needs. Wind and solar energy in particular are well suited for the in-house managed small-scale production of electricity. The positive image projected by an in-house renewable electricity generation facility can be an important advantage.

2.2 Specification stage (criteria)

During the specification stage, the needs of the internal or external customer are translated into a tender document. This stage entails the formulation of:

- Criteria for supplier qualification. These could include grounds for exclusion, suitability requirements, i.e. requirements with regard to suppliers, and, in the case of restricted procedures, any selection criteria, i.e. wishes with regard to suppliers.
- A description of the minimum requirements pertaining to supply, service or task (the Schedule of Requirements).
- Award criteria, i.e. wishes regarding Supplies, Services and Public works.

These are only applicable when the tendering process is based on the principle of the Most Economically Advantageous Offer ('Economisch Meest Voordelige Inschrijving' or EMVI).

- The contract stipulating the contract provisions.

More information on the various types of criteria and the various tender options can be found in the Sustainable Public Procurement Manual. Innovation is also included in the award criteria, where relevant. Innovation is oriented towards the development and introduction of new ideas and products.

The criteria in this document have been formulated to support the purchaser in the Sustainable Public Procurement of Electricity. The criteria have been subjected to legal review. However, every procurement and tender process is unique. For that reason, the drafting of a tender document remains the responsibility of the purchaser.

As indicated earlier in this document, the conservation of electricity consumption can be accomplished in one of two ways:

1. Through the purchase of renewable electricity offered by power suppliers, whereby the supplier also assumes responsibility for redeeming the guarantees of origin associated with the electricity delivered.
2. By purchasing the electricity and the guarantees of origin separately, whereby the consumer assumes responsibility for redeeming the guarantees of origin.

This section develops the criteria for both of these methods

2.2.1 Supplier qualifications

No criteria have been formulated for this specific product group with regard to supplier qualification. More information on the possibilities of incorporating sustainability at this stage of the process can be found in the Sustainable Public Procurement Manual.

2.2.2 Schedule of requirements

Minimum requirements

Minimum Requirement no. 1a	<p><i>(For renewable electricity)</i></p> <p>The electricity to be supplied must consist of 100% renewable electricity as defined in Section 1 first subsection under u of the Netherlands Electricity Act 1998.</p> <p>The relevant definitions extracted from the Electricity Act 1998 are contained in Appendix 1 of the Dutch language document.</p> <p><u>Means of proof:</u></p> <ol style="list-style-type: none"> 1. A statement by the tenderer submitted as part of his proposal that the electricity to be supplied complies with (this requirement in) the Schedule of Requirements.
Notes for purchaser	<p><u>Verification of means of proof:</u></p> <ol style="list-style-type: none"> 1. No further verification.

<p>Minimum Requirement no. 1b</p>	<p><i>(For guarantees of origin)</i></p> <p>Guarantees of origin for renewable electricity must comply with the definition in Section 1 first subsection under x of the Netherlands Electricity Act 1998 and must be issued by a body appointed for that purpose pursuant to Section 73 second subsection of the Electricity Act 1998.</p> <p>The relevant definitions extracted from the Electricity Act 1998 are contained in Appendix 1 of the Dutch language document.</p> <p><u>Means of proof:</u></p> <ol style="list-style-type: none"> 1. A statement by the tenderer submitted as part of his proposal that he complies with (this requirement in) the Schedule of Requirements.
<p>Notes for purchaser</p>	<p><u>Verification of means of proof:</u></p> <ol style="list-style-type: none"> 1. No further verification.

2.2.3 Award criteria

No award criteria have been formulated for this product group.

2.2.4 Contract

No contract provisions have been formulated for this product group.

2.3 Utilisation stage (points for consideration)

Once the procurement stage has been concluded and a product or service has been purchased, there are opportunities for using the product in a sustainable manner. Specific points for consideration for this product group are:

Energy savings and the acquisition of energy efficient equipment once again should be points for attention during the utilisation stage.