

## procurement for a low-carbon economy





# Purchase of electricity from 100 % renewable energy sources

## Municipality of Ljubljana

- 100 % of energy supply from renewable energy sources
- Joint green public procurement included 107 legal entities from the Municipality of Ljubljana.



for a low-carbon GPP 2020 case Tender Model on 100% RES electricity (Municipality of Ljubljana), November 2015

### **Tender**

- Joint green public tender published by Municipality of Ljubljana (MOL) 6<sup>th</sup> February 2015.
- Joint procurement included MOL and 106 other legal entities (about 1,100 measurement points), which are represented by MOL. Legal entities are public companies, public institutions, health centres, theatres, libraries, elementary and music schools, kinder gardens and other public institutions in the Municipality of Ljubljana.
- The framework agreement between the Municipality of Ljubljana and chosen tenderer was made for the duration of three years (2015-2018).

## **Procurement approach**

Type of procurement procedure: Public tender, open procedure on the basis of article 25 of the Public Procurement Law (ZJN-2E, Official Journal of the Republic of Slovenia, nr. 12/13 official consolidated text and 19/4 and changes).

Subject matter: Purchase of electricity that is produced entirely from renewable energy sources for the period of three years.

Selection criteria: Potential supplier had to fulfill several described requirements from the tender documents as well to follow detailed instructions about ways of verification.

Specifications: Electricity must be produced entirely (100 %) from renewable energy sources which is proved with the statement of Guarantees of Origin.

Award criteria: When choosing the most favorable bidder, commission accounted for the criteria of the lowest common offered price.

**Contract clauses:** After selecting the supplier the framework contract agreement was signed.

## Criteria development

Green public procurement was executed according to current legislation regulating fields of public procurement, public finance and the field of this specific procurement. Procurement complied with the provisions of the Regulation on Green Public Procurement (Official Journal of the Republic of Slovenia, nr. 102/2011 and changes) and Annex 1 to the Regulation on Green Public Procurement.

#### Results

	CO2 emissions (t CO2e/year)	Amount of generated supply from renewable energy sources
GPP: 100% green electricity	1,575.2 t CO2e/year	92,660,000 kWh/ year
Last Tender: 50% green electricity	16,753.4 t CO₂e/ year	46,330,000 kWh/ year
Savings	15,178.2 t CO2e/year	46,330,000 kWh/year =3,983.7 toe/year
Savings in the three year duration of the contract	45,534.5 t CO2e	138,990 MWh =11,951.1 toe

#### Calculation basis

- GPP: 100% green electricity. Last Tender: 50% green electricity
- CO<sub>2</sub> emissions reduction was calculated by taking 50 % of the 92,660,000 kWh (yearly amount of electricity) and multiplying it with the CO<sub>2</sub> emissions per kWh (for Slovenia: 0.34461 kg CO<sub>2</sub>/kWh) and reducing this amount with the CO<sub>2</sub>-emissions of green electricity (around 0.017 kg/kWh).
- Formula: ((92,660,000 kWh \* 0.5) \* 0.34461 kg CO<sub>2</sub>/kWh) (92,660,000 kWh \* 0.5) \* 0.017) = 15,965.8 787.6 t CO<sub>2</sub> = 15,178.2 t CO<sub>2</sub>.

#### Lessons learned

The contracting authority is pleased that the GPP tender resulted in a service contract where all required certifications for supplying electricity produced from 100% renewable energy sources were provided. GPP approach has great potential for the repetition of such tender both in Slovenia as well as in the broader region. The tender was possible without any additional investments and on the opposite resulted in savings that will be put to energy related renovations and other sustainable investments.

#### **Contact**

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Public tender is available at: <a href="http://www.ljubljana.si/si/mol/mestna-uprava/sluzbe/javna-narocila/razpisi/94261/detail.html">http://www.ljubljana.si/si/mol/mestna-uprava/sluzbe/javna-narocila/razpisi/94261/detail.html</a>

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procurement for a low-carbon

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

#### **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



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