C40 CITIES

REQUEST FOR PROPOSAL (RfP)

Pre-Feasibility: Site Selection And Generation Connection Capacity Assessment in the eThekwini Metropolitan Area

C40 Cities Climate Leadership Group, Inc. 120 Park Avenue, 23rd Floor New York, NY 10017 United States of America

16 February 2024

1. C40 Cities Climate Leadership Group Inc. ("C40")

C40 is a network of nearly 100 mayors of the world's leading cities, who are working to deliver the urgent action needed right now to confront the climate crisis, and create a future where everyone, everywhere can thrive. Mayors of C40 cities are committed to using



a science-based and people-focused approach to help the world limit global heating to 1.5°C and build healthy, equitable and resilient communities. Through a Global Green New Deal, mayors are working alongside a broad coalition of representatives from labour, business, the youth climate movement and civil society to go further and faster than ever before.

The strategic direction of the organisation is determined by an elected Steering Committee of C40 mayors which is co-chaired by Mayor Sadiq Khan of London, United Kingdom, and Mayor Yvonne Aki-Sawyerr of Freetown, Sierra Leone. Three term Mayor of New York City Michael R. Bloomberg serves as President of the C40 Board of Directors, which is responsible for operational oversight. A nine-person management team, led by Executive Director, Mark Watts, leads the day-to-day management of C40. C40's three core strategic funders are Bloomberg Philanthropies, the Children's Investment Fund Foundation (CIFF) and Realdania.

To learn more about the work of C40 and our cities, please visit our <u>Website</u>, or follow us on <u>Twitter, Instagram</u>, <u>Facebook</u> and <u>LinkedIn</u>.

2. Supporting South African Cities to Deliver An Energy Secure Future: Accelerating the direct sourcing of renewables in C40 South African Cities

The Supporting South African Cities to Deliver an Energy Secure Future project, with the grant funding from Climateworks Foundation, seeks to support South African (SA) cities to accelerate the direct sourcing of renewable energy capacity in the five South African C40 Cities (Cape Town, Ekurhuleni, eThekwini, Johannesburg and Tshwane). South African C40 Cities seek to advance their climate action and energy supply diversification plans through accelerated direct sourcing of renewable energy capacity from independent power producers (IPP) and subsequently contribute to the reduction of the need to rely on expensive and polluting coal power plants. The below outlined activities are guided by the following overarching project goals:

- Cities have been supported in putting in place comprehensive energy sourcing strategies and roadmaps, aligned with their Climate Action Plans.
- Cities make progress towards being able to procure from IPPs.
- Cities enabling regulatory frameworks and policies enhanced to support other private consumers source renewables from IPPs.
- Cities follow a just transition pathway for the energy sector through ensuring that their energy strategies help to advance their socio-economic objectives relating to the alleviation of poverty, inequality and unemployment.

The project seeks to achieve the above-mentioned goals through a combination of activities ranging from:

- peer-to-peer learning initiatives between South African cities as well as with international cities,
- development of knowledge products including comprehensive/step-by-step guidelines,
- establishment of a central knowledge repository of existing case studies and guidelines, knowledge sharing, targeted technical support, dialogue events, etc.

3. Summary and Background of the Project

The National Development Plan (NDP) identifies the need for South Africa to invest in reliable infrastructure designed to support the country's medium and long-term economic and social objectives. Energy infrastructure is a critical component that underpins economic activity and growth across the country; it needs to be robust and extensive enough to meet industrial, commercial, and household needs. The NDP envisages that, by 2030, South Africa will have an energy sector that provides reliable and efficient energy service at competitive rates, is socially equitable through expanded access to energy at affordable tariffs, and environmentally sustainable through reduced pollution.

During the 2020 State of National Address (SONA), the President of South Africa stated that municipalities in good financial standing would be able to procure power from Independent Power Producers (IPPs). To adequately implement these reforms, the Minister of Mineral Resources and Energy published an amendment of the Electricity Regulations on New Generation Capacity on 16 October 2020.

These changing market conditions have propelled the new strategic direction at eThekwini Metropolitan Municipality (EMM). In November 2020, the Council of EMM approved the draft Energy Strategic Roadmap (ESR) and Integrated Resource Plan (IRP) for public comments. This was informed by Section 195 (1) (e) of the Constitution of the Republic of South Africa Act (No. 108 of 1996) and through Section 17 of Municipal Systems Act (No. 32 of 2000).

These policy documents (ESR and IRP) were approved by the Council of EMM after intense public comments and hearings in June 2021. These two policies were reconfigured and named Energy Transition Policy (ETP) to adequately measure success of energy infrastructure implementation. The ETP provides a pathway towards a portfolio mix of power sources that can be deployed over the short, medium, and long-term basis. It further aims to encourage regional competitive advantage, deliver energy security, create a resilient infrastructure system, industrialize the economy, and promote diversification of energy generation from dispatchable and non-dispatchable power sources.



According to the ETP, the EMM is aiming to procure new generation capacity of 100 megawatts of Solar PV utility scale from IPPs in the short to medium-term. To adequately deploy such resources in the EMM, a detailed pre-feasibility study must be conducted to ensure site identification and grid integration measures. The electricity peak demand in 2022 was reported to be



1700 megawatts with annual consumption of 11000 GWh. However, the forecasted annual electricity demand profile is expected to reach 2000 MW and 2500 MW by 2030 and 2050 respectively.

In addition to site identification and selection, the EMM must conduct generation connection capacity assessment (GCCA) across 11kV, 33kV, 132 kV and 275 kV substations. These assessments will provide available power evacuation capacity and retrofitting of equipment needed to connect new generation capacity coming from Independent Power Producers (IPPs).

4. Project Objective

The objectives of this assignment are:

- To provide a high level assessment of sites across EMM.
- To provide high level assessment on land ownership and process for acquisition across eThekwini Municipal boundary.
- To highlight existing classification of land-use in the selected sites and permit requirements.
- To develop generation connection capacity assessment on eThekwini electrical infrastructure.
- To recommend the best suitable sites for power generation using results of multi-criteria analysis and physical verification.

5. Project Scope

The terms of reference for the high-level pre-feasibility include the following. The appointed consultants can propose some modifications in the scope of work to meet the objectives of the assignment.

5.1. Review of previous work undertaken on Electrical Infrastructure

Special review to the existing feasibility studies for the purpose of deploying new generation capacity with linkages to eThekwini electrical infrastructure. This includes reviewing annual reports, eThekwini Integrated Resource Plan, spatial development framework and classification of zoning in terms of land use practices.

5.2. Project Implementation Plan

The consultants will draft implementable action items and diversify responsibilities between eThekwini Metropolitan Municipality and Independent Power Producers.

5.3. Power Generation Capacity

Depending on the available land which can be developed for the purpose of power generation, the appointed consultants must recommend capacity that can be deployed either from dispatchable or non-dispatchable sources. The data collection is the responsibility of the consultant.



5.4. Power Evacuation Capacity and Substation Upgrades

The appointed consultants will recommend methods of power evacuation and necessary agreement required with concerned stakeholders such as Eskom. Crystalize issues and provide sustainable solutions for grid stability and integrate the power generated from the proposed plants. In addition, the consultants shall identify new investments and cost estimates required for successful integration of the new generation capacity in eThekwini Metropolitan Municipality. The consultants shall study the dynamics of the existing power system and identify the gaps, fault levels, load centres to ensure that the new generation capacity is fully evacuated without any curtailment.

5.6. Site Selection and Other Site Features

The appointed consultants shall do high-level land surveys and recommend the best possible sites for new generation capacity in eThekwini Metropolitan Municipality. The GIS should be used to determine sites including physical inspection to verify the recommendations. The land surveys shall include but not limited to the following. The consultant may conduct only high-level assessment without being more detailed since Environmental Impact Assessment (EIA) will cover these parameters in detail.

- Size of the suitable land (hectares)
- Distance from proposed power station to the nearest major intake substation (km)
- Topography
- Soil and Vegetation
- Geotechnical
- Accessibility to other infrastructure (road, rail, water, air transport services, etc.)
- Grid Connection
- Servitudes
- Climate Change and Flooding Risks
- Durban Metropolitan Open Space System (D'MOSS) for land optimization purposes
- Safety and security of site.

The appointed consultants shall shortlist municipal substations and assess surroundings with possibility of developing power generation plants. Selected sites

will be presented in the form of GPS and use criteria above, showing sites and transmission overhead lines to the major intake substation and determining whether communities should be relocated for development to happen. It must be noted that only sites that meet the criteria should be visited physically.



6. Key activities and deliverables

Activity No.	Key activities and deliverables	Duration	Cumulative	
Activity No.1	Inception Deliverables			
1.1	Project Plan Development	1 week	1 week	
1.2	Review of existing policies and strategies	3 weeks	4 weeks	
1.3	Final Inception Report	1 week	5 weeks	
Activity No.2	Planning and Execution Deliverables			
2.1	Draft Report: Sites Selection and Recommendations	6 weeks	11 weeks	
2.2	Draft Report: Generation Connection Capacity Assessment (GCCA)	6 weeks	17 weeks	
Activity No.3	Closure Deliverables			
3.1	Targeted Stakeholder Engagement Process	2 weeks	19 weeks	
3.2	Final Report: Sites Selection and Recommendations	3 weeks	22 weeks	
3.3	Final Report: Generation Connection Capacity Assessment (GCCA)	3 weeks	25 weeks	
3.4	Pre-feasibility: Final Consolidated Report	1 week	26 weeks	

6.1. Project duration

The duration of this assignment should not exceed 6 months and the location will be eThekwini Metropolitan Municipality with the possibility to cover site identification in the nearby municipalities.

7. Project management

The appointed service provider, in partnership with C40, will be responsible for the project management of the entire project. It is expected that the service provider holds an inception meeting with C40 and the Municipality during which the project timeline, ways of working and initial work plan will be agreed upon and finalised.



The contractor must attend regular (bi-weekly or weekly) progress meetings and produce regular progress reports in line with the project deliverables and timelines. C40 and the Municipality will arrange all stakeholder engagements and meetings.

The project will require close collaboration and excellent communication with C40 and EMM as well as the stakeholder groups. The following project management meetings are proposed: -

- Inception meeting
- Short biweekly/weekly check-in meetings/report (30 minutes with a smaller group) to report on progress, challenges, and plans for the week and to communicate assistance needed.
- Longer 1-hour project management meetings with the full project team at each milestone. This should include a presentation accompanied by a detailed report outcome.
- Ad-hoc project team meetings as needed to resolve issues and review deliverables
- Project close-out meeting

The service provider should allocate sufficient time to prepare for, attend and minute these meetings

8. Proposal Guidelines

This Request for Proposal represents the requirements for an open and competitive process. Proposals will be accepted until **15th March 2024**. Any proposals received after this date and time will not be accepted. All proposals should include clear timelines, how you will work with C40, clear costs and details on experience in this area. Proposals should be presented with costs including tax and administrative fees.

The proposal must give C40 evaluators all the information they need to assess your bid. Submissions must include:

- 1. Proposed programme of works including deliverables and outputs.
- 2. Interpretation of brief including project approach; methodology and market engagement strategy.
- 3. A summary of knowledge and expertise of eThekwini landscape, power grid configurations and relevant grid codes.
- 4. Highlighted work experience relevant to this project.
- 5. Risk analysis and mitigation plan
- 6. Timeframe for your tasks and completion of the project

7. A full, detailed project budget breakdown of deliverables and costs inclusive of taxes and hours allocated to tasks per project team member.

Please note: Proposals should be written in English, saved in PDF format and should not exceed 10 pages of text. Reference material may be placed in annexes.



9. Supplier Diversity

C40 is committed to supplier diversity and inclusive procurement through promoting equity, diversity and inclusivity in our supplier base. We believe that by procuring a diverse range of suppliers, we get a wider range of experiences and thoughts from suppliers and thus are best able to deliver to the whole range of our diverse cities and the contexts that they operate within.

We strongly encourage suppliers (individuals and corporations) that are diverse in terms of size, age, nationality, gender identity, sexual orientation, majority owned and controlled by a minority group, physical or mental ability, ethnicity and perspective to put forward a proposal to work with us.

Feel welcome to refer to <u>C40's Equity</u>, <u>Diversity and Inclusion Statement</u> as supplier diversity and inclusive procurement is one element of applying equity, diversity and inclusion to help the world limit global heating to 1.5°C and build healthy, equitable and resilient communities.

10. Contract

Please note this is a contract for professional services and not a grant opportunity. Organisations unable to accept contracts for professional services should not submit bids. The work will be completed on the <u>C40 Standard Service Provider</u> <u>Agreement</u>

These terms and conditions are non-negotiable. Organisations unable to accept them as drafted should not submit bids in connection with this opportunity.

If C40 are unable to execute a contract with the winner of this competitive process, we reserve the right to award the contract to the second highest Potential Supplier

10.1 Subcontracting

If the organisation submitting a proposal needs to subcontract any work to meet the requirements of the proposal, this must be clearly stated. All costs included in proposals must be all-inclusive of any outsourced or contracted work. Any proposals which call for outsourcing or contracting work must include a name and description of the organisations being contracted.

11. RfP and Project Timeline

RfP Timeline:



RFP Timeline	Due Date	
Request for Proposals sent out	16 February 2024	
Questions submitted to C40	1 March 2024	
C40 responds to questions	6 March 2024	
Deadline for receiving proposals	15 March 2024	
Evaluation of Proposal	18 March 2024 – 22 March 2024	
Successful proposal notified of the outcome	25 March 2024	
Inception Meeting	2 April 2024	

12. Proposal Evaluation Criteria

Upon receipt of proposals, C40 and the Municipality team will evaluate the proposals against the following criteria. The contract will be offered to the bidder with the highest overall score.

Evaluation Criteria	Weighting
Project delivery approach proposed, including project management approachability to deliver outputs on time and quality	20%
Interpretation of brief including project methodology and approach	30%
Expertise and experience of personnel across relevant topics and focal geography.	30%
Value for money	10%
 Equity and ethical alignment considerations: C40 is looking to appoint an organisation that shares our values and is grounded in the context of the local community. Consideration will focus on: location of organisations (preference will be given to locally based organisations), organisations with black ownership (as defined in the B-BBEE Act) organisations with women and youth ownership 	10%

13. Project Budget

The maximum cost for all project deliverables is **R570,000**. Costs should be stated as one-time or recurring costs. All costs included in the proposal must be all-inclusive, referring to any VAT, copyright or bank fees, etc., as the budget above represents the total amount available. Proposals should also include a budget breakdown of the tasks and deliverables.



The above cost should **exclude** costs associated with delivery of workshops i.e. catering and venue hire as these costs will be covered directly by C40. Payment will be made periodically based on completion of deliverables as outlined in the Payment schedule below. Please note that C40 does not pay contractors more frequently than once per month.

Payment	Component and activity	Amount
First payment	Activity 1: Inception Deliverables	30%
Second payment	Activity 2: Planning and Execution Deliverables	30%
Final payment	Activity 3: Closure Deliverables	40%

13.1 Payment schedule

14. C40 Policies

C40 expects third parties to able to abide by these C40 policies:

- Non-Staff Code of Conduct Policy <u>here</u>
- Equity , Diversity and Inclusion Policy <u>here</u>
- C40 Non-Staff Travel and Expenses Policy if applicable <u>Here</u>

15. Submissions

Each bidder must submit 1 copy of their proposal to the email address below by **15** March 2024 at 23:59 SAST to:

Hlengiwe Radebe - Renewable Energy Technical Advisor <u>hradebe@c40.org</u> CC: Tintswalo Mathe - Knowledge Sharing Manger tmathe@c40.org

Anonymised responses to questions will be provided here (<u>link</u>) when the Q&A period closes.

16. Disclaimer

C40 will not accept any liability or be responsible for any costs incurred by Potential Suppliers in preparing a response for this RFP.

Neither the issue of the RFP, nor any of the information presented in it, should be regarded as a commitment or representation on the



part of C40 (or any of its partners) to enter into a contractual arrangement. Nothing in this RFP should be interpreted as a commitment by C40 to award a contract to a Potential Supplier as a result of this procurement, nor to accept the lowest price or any tender.