REQUEST FOR PROPOSAL (RfP)

City-led collective self-consumption to tackle energy poverty
(Lisbon and Athens)

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

This project is part of the Inclusive Climate Action Programme. More info: https://www.c40.org/programmes/inclusive-climate-action

Deadline for proposals:
June 14, 2024
Service required between:
June – September 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 Realanda.

To learn more about the work of C40 and our cities, please visit our [Website](#), or follow us on [Twitter](#), [Instagram](#), [Facebook](#) and [LinkedIn](#).

2. Summary, Purpose and Background of the Project

**About the Global Green New Deal Pilot Program:** Through the Inclusive Climate Action (ICA) Programme, C40 is supporting targeted engagement in 20+ champion cities across 5 regions. This support focuses on delivering inclusive climate action, a just transition and demonstrating what a Global Green New Deal (GGND) looks like in practice in cities. The initiative is based on C40's ambition to advance climate mitigation goals, a just and equitable transition, and adaptive resilience in North America, Europe, Africa and Latin America. The objective is for mayors and cities to contribute as world leaders to the transition of societies and communities in a low-carbon and socially desirable way, to avoid the risk of climate breakdown.

In April 2022, the Mayor of London and Chair of C40 Cities, the Mayor of Barcelona and Vice Chair of C40 Cities co-hosted a roundtable on Energy Poverty in collaboration with the Secretary General of the International Trade Union Confederation. As a result of this Mayoral and Union collaborative event, a 10-point Energy Crisis Emergency Plan was developed that C40's new [Global Green New Deal (GGND) European Pilot](#) is helping cities deliver.

The GGND European pilot, a subset of the GGND ICA Program, supports leading European Mayors and their cities with technical support and peer learning opportunities to accelerate the Plan delivery. The pilot engages leading European cities (including, Barcelona, Lisbon, Milan, Paris, Rotterdam and Warsaw) to strengthen and support their role in tackling the energy crisis in Europe. The pilot
will enhance cities' capacities and support action to advance key strategies in line with the C40 10-Point Energy Crisis Emergency Plan (i.e., the 3Rs: relief, retrofit, renewables) in an inclusive and equitable manner.

Specifically, the pilot aims to:

a) Advance new or enhance existing local actions to tackle energy poverty in line with the Energy Crisis Plan through inclusive climate action, addressing immediate responses to and future plans for the current energy and cost of living crises.

b) Build capacity through tailored peer learning support for city staff on issues of equitable policy development, delivery and inclusive community engagement.

The GGND European Pilot will demonstrate best-practices of how to implement relief, retrofit, renewable and resiliency strategies, demonstrating an evidence base of how cities are addressing the energy crisis and energy poverty. By showcasing cities’ leadership and actions, this process will reinforce cities’ voice and perspective in the energy crisis debate at the European regional level.

Background of this project:

Energy poverty is generally understood as the lack of capacity to adequately meet household energy needs as the combined result of high energy prices, low income and poor quality housing. Tackling energy poverty is key to delivering a just energy transition and remains at the heart of building community resilience in the face of crisis, which is as critical and urgent as ever. This project is supporting the cities of Lisbon and Athens in exploring innovative approaches to addressing energy poverty through enhancing access to affordable renewable energy as a way of reducing energy costs for vulnerable households.

In Portugal the energy transition faces an added difficulty arising from relevant inequalities regarding the access to energy services in the residential sector. According to Eurostat data, Portugal ranks as the lower fifth country in the European Union, having around 19% of the population experiencing energy poverty problems.

Targeting a more effective and assertive response, the city of Lisbon has been undertaking a series of initiatives to allow a better understanding and characterization of energy poverty. In this context, the city has implemented a survey approach that focuses on the integration of variables commonly related to energy poverty, with the residents’ perceptions on the phenomenon, and its effects on health and thermal comfort. Additionally, the existing data regarding the energy efficiency levels of the housing stock in the city is also clear in corroborating this problem.

Consequently, based on the principle that the energy transition must be accompanied by a broad social transformation that ensures equity in the distribution of responsibilities and benefits, the city of Lisbon intends to implement the concept of the Social Solar Tariff. This concept's main objective is to ensure
democratisation on accessing energy services in the residential sector, focusing on the implementation of collective self-consumption initiatives as a starting point for mitigating and alleviating energy poverty.

In this context, households, especially the most vulnerable, are called and invited to actively participate in the creation of energy communities, and collaboratively benefit from access to energy in more advantageous economic and social conditions.

In Greece many households are affected by energy poverty with 34.1% of them having arrears on utility bills\(^1\), 18.7% are unable to keep their home adequately warm in the winter\(^2\), and 26.3% of them are at risk of poverty or social exclusion. According to an energy poverty survey conducted in Greece in 2022, 83% of the respondents declared that the rise of energy prices has affected them; while 50% stated that covering energy needs is difficult for them.

In this context and following the revised energy efficiency directive (Directive (EU) 2023/1791) indicating the creation of one-stop-shops of information in municipalities, the city of Athens has established the Energy Poverty Alleviation Office. The Office aims at providing information and guidance to energy poor and vulnerable households on how to reduce their energy bills, increase their energy efficiency, and implement low cost no regret energy efficiency interventions that can enable them to mitigate energy poverty.

**Project scope:**

As expressed in the Lisbon Climate Action Plan 2030, energy poverty takes the lead as the most relevant problem in the city’s residential sector, with its eradication being assumed as a major goal to be achieved by 2050.

The strategy to address this problem involves a set of commitments targeting democratization in accessing clean energy. This has been planned to be done through the implementation of supporting mechanisms capable of reducing the burden of energy costs on the most vulnerable families’ budget (including those with greater difficulties in implementing energy retrofit measures) and, notably, to increase the thermal comfort of these populations – adding relevance to thermal stress as an overlooked component of energy poverty that amplifies health conditions, and which lead to increased costs with public health and social security and loss of productivity of companies (likely even greater costs than those incurred in energy efficiency interventions), affecting segments of the population other than the economically poor.

In this context, the city of Lisbon will launch a public tender for the installation of a 2 MWp photovoltaic power plant, to be located in the Carnide parish. The city aims to ensure that local residents in the Padre Cruz municipal social housing neighbourhood can benefit from the solar project, by transferring to them the

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economic gains resulting from the electricity generated, preferably in the form of lower energy bills. This will be the first pilot of the Social Solar Tariff, to be replicated in several neighbourhoods across the city.

Similarly, the city of Athens is committed to achieving climate neutrality, enabling the just energy transition at a local level while leaving no one behind. Part of the municipality's efforts include the mitigation of energy poverty and the support of vulnerable citizens.

The city of Athens aims to install rooftop solar PV systems on various municipal buildings (exploiting also the recently established energy community of Athens) and is encouraging self-production to initially cover the needs of municipal buildings - with the expectation that enough electricity will be generated so that some of the benefits can be shared with neighbouring households. The money saved from the self-production can be redistributed to support energy upgrades, energy efficiency interventions, and retrofitting of vulnerable households, to reduce their municipal taxes, etc. or the excessive energy produced from PVs in vulnerable areas could be distributed to energy poor households at lower prices or to lower their bills.

C40 is seeking a consultant, or group of consultants, to support the cities of Lisbon and Athens in designing programmes and/or policies that will enable the cities to transfer some of the economic benefits of their solar projects to targeted vulnerable residents. This should include tailored and context-relevant advice on legal, regulatory, technical and governance requirements applicable to such initiatives, as well as their potential impact. The range of policies and programmes to explore will be agreed with each city and could include: collective self-consumption schemes, community energy schemes, social tariffs, ad-hoc revolving funds, direct subsidies, etc.

In order to design their respective initiatives, the cities of Lisbon and Athens need a thorough understanding of a number of key questions, including:

- Regulatory framework
  • What European, national and local regulatory requirements governing renewable energy collective self-consumption project development need to be met?
  • What solutions are available in the local, national and european regulatory framework to share the benefits of a municipal solar project with local residents?

- Ownership and governance
  • What would be the best choice of ownership model, business model and legal form regarding the solar project for the city?
  • What legal structures are available for setting up and operate the initiative?
  • What benefits arise from different available procurement/investment models (e.g. municipal direct investment, ESCo, VASCo, ...)?
  • Who are the key stakeholders to be involved? And how?
- Socio-economic impacts and eligibility criteria
  - How will benefits be distributed to vulnerable households (e.g. reductions on energy bills through a social tariff, direct subsidies, reduction of municipal taxes, etc.)?
  - How should the eligibility criteria be defined?
  - How should beneficiaries be informed and engaged?

Additionally, in order to create a strong knowledge base that supports the analysis of the different project components that influence the determination of the solar social tariff value, **Lisbon needs to develop a model allowing the simulation of different parameters – technical and economic – associated with the installation of the 2 MWp photovoltaic plant in Padre Cruz neighbourhood ensuring an informed decision for the project implementation.**

**Deliverables:**

In addition to the deliverables outlined below, the successful bidder will be responsible for creating and maintaining project timelines.

**D1:**

<table>
<thead>
<tr>
<th>Activities</th>
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<tbody>
<tr>
<td>• Get a clear understanding of <strong>Lisbon</strong> Solar Social Tariff initiative and the city's key questions and challenges to advance the initiative</td>
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<tr>
<td>• Analyse the regulatory framework and potential ownership and governance models for <strong>Lisbon</strong></td>
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<tr>
<td>• Define eligibility criteria and best options to distribute benefits to vulnerable households in Lisbon (starting with the Padre Cruz municipal housing neighbourhood)</td>
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<thead>
<tr>
<th>Indicative timeline</th>
<th>Late September</th>
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<tbody>
<tr>
<td>Outputs</td>
<td>Final report tailored to Lisbon summarising the analysis and providing detail guidance for policy design and implementation</td>
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**D2:**

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<tr>
<th>Activities</th>
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<tr>
<td>• Get a clear understanding of <strong>Athens</strong>'s key questions and challenges to advance the design of the initiative (e.g. focusing on PV installations in schools, multi-family residential buildings, abandoned buildings, as well as the engagement of the local communities).</td>
<td></td>
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<tr>
<td>• Analyse the regulatory framework and potential ownership and governance models for <strong>Athens.</strong></td>
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<tr>
<td><strong>Indicative timeline</strong></td>
<td><strong>Outputs</strong></td>
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<tr>
<td>-----------------------</td>
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D3:

<table>
<thead>
<tr>
<th><strong>Activities</strong></th>
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</table>
| ● Develop an analytical model capable of estimating the matching between the electricity produced by the pilot PV plant in Lisbon’s Padre Cruz neighbourhood and the consumption of the neighbourhood’s inhabitants. The model should provide a full year, daily and hourly basis analysis, based on the neighbourhood’s consumption profiles (to be provided by the city team) and the PV plant electricity production forecast (to be provided by the successful bidder).  
● Develop a financial analysis model for the pilot PV plant in Lisbon’s Padre Cruz neighbourhood to measure key financial indicators (including payback period, net present value, internal rate of return) based on CAPEX and OPEX. This model must give the city the ability to measure the impact of different scenarios for the allocation of the electricity sales revenue (such as transferring a given percentage of the sales revenue to vulnerable residents to reduce their energy burden, social tariff values, etc.) from the plant on these financial indicators.  
● Draft the final report describing the methodological approach used to develop the simulation model, assumptions, financial analysis under different scenarios and main conclusions. | |

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<thead>
<tr>
<th><strong>Indicative timeline</strong></th>
<th><strong>Outputs</strong></th>
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<tbody>
<tr>
<td>Mid July</td>
<td>Model of the PV production vs. inhabitants’ electricity consumption</td>
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</table>
3. Proposal Guidelines

This Request for Proposal represents the requirements for an open and competitive process. Proposals will be accepted until **June 14, 2024, 9pm EST, 2024**. Any proposals received after this date and time will not be accepted. All proposals should be in English and should include clear timetables, how you will work with C40, clear costs and detail on experience in this area.

The proposal should give C40 evaluators all the information they need to assess your bid. Please clearly indicate where applicable:

- How your proposal is responsive to the Evaluation Criteria;
- The assumptions you are making about the project;
- Risks you have identified and appropriate mitigation measures;
- Information about your fee;
- Proposed timeline of implementation;
- Any additional support that you need to make the project a success, including any inputs you will need from third parties or C40 staff;
- Proposed working partnership with C40 and the City of Lisbon, including (as applicable) project governance and management, key roles and responsibilities, and escalation procedure for issues;
- Resumes of proposed key personnel in the standard C40 CV Template;
- Information about the organisation’s commitment to equity, diversity and inclusion and ethical alignment with C40.

You must include adequate information about how your costs were calculated to enable evaluation of cost reasonableness.

**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 C40’s Equity, Diversity and Inclusion Statement 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.

**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 C40 Standard Service Provider Agreement.

These terms and conditions are accepted as drafted by the majority of our suppliers and we reserve the right to penalise your bid on the basis of non-acceptance of terms. If you do wish to include any requested amendments with your proposal, please do not mark up the document in tracked changes but provide a separate document for review setting out clearly your rationale for the change.

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.

**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.

**4. RfP and Project Timeline**

**RfP Timeline:**

<table>
<thead>
<tr>
<th>RFP Timeline</th>
<th>Due Date</th>
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<tbody>
<tr>
<td>Request for Proposals sent out</td>
<td>May 29th, 2024</td>
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</table>
Deadline for receiving Offers | June 14th, 2024
Clarification of Offers | June 18th, 2024
Evaluation of Proposal | June 20th, 2024
Selection decision made | June 21st, 2024
All Potential Suppliers notified of outcome | June 21st, 2024

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<thead>
<tr>
<th>Project Timeline</th>
<th>Due Date</th>
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<tbody>
<tr>
<td>The project initiation phase must be completed by</td>
<td>July 5th, 2024</td>
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<tr>
<td>Deliverables 1 and 2 are expected to be completed by</td>
<td>September 20th, 2024</td>
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<tr>
<td>Deliverable 3 is expected to be completed by</td>
<td>July 15th, 2024</td>
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<tr>
<td>The project is due to run until</td>
<td>September 30th, 2024</td>
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5. Proposal Evaluation Criteria

Proposals will be evaluated against the following criteria

<table>
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<tr>
<th>Evaluation Criteria</th>
<th>Weighting</th>
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<tr>
<td>Demonstrated expertise in European policy analysis, as well as experience on key topics for this piece of work are represented across all services team members involved</td>
<td>40%</td>
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<tr>
<td>Robustness of the project delivery proposal and ability to meet objectives</td>
<td>30%</td>
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<tr>
<td>Project management, work approach and timeline</td>
<td>15%</td>
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<tr>
<td>Cost effectiveness of the proposal</td>
<td>10%</td>
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<tr>
<td>Alignment with C40 Diversity and Inclusion values*</td>
<td>5%</td>
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6. **Project Budget**

All proposals must include proposed costs to complete the tasks described in the project scope, including all VAT and taxes. Costs should be stated as one-time or non-recurring costs or monthly recurring costs. Pricing should be listed for each of the following items in accordance with the format below. All costs incurred in connection with the submission of this RFP are non-refundable by C40.

**Total proposed project costs** (incl. VAT and other ‘hidden’ costs, if applicable) should not exceed **18,500 EUR**.

Payment will be made according to meeting project milestones as approved by the C40 point of contact.

7. **C40 Policies**

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

- Non-Staff Code of Conduct Policy [here](#)
- Equity, Diversity and Inclusion Policy [here](#)

8. **Submissions**

Each Potential Supplier must submit 1 copy of their proposal to the email address below by **June 14, 2024 at 9pm EST**:

- Josu Mozos - Inclusive Climate Action Senior Manager, Europe: [jmozos@c40.org](mailto:jmozos@c40.org)

Anonymised responses to questions will be provided [here](#) when the Q&A period closes.

**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.