

# THERMOMODERNIZATION BYTOM

## QUICK FACTS

PROJECT TITLE	THERMOMODERNIZATION OF EDUCATIONAL BUILDINGS IN CITY BYTOM WITHIN THE FORMULA OF PUBLIC-PRIVATE PARTNERSHIP
PPP MODEL	PPP IN PPA MODE
LOCATION	CITY OF BYTOM
VALUE OF PROJECT	49 507 916, 86 PLN (GROSS)
PROJECT STATUS	EXECUTION OF CONSTRUCTION AND THERMOMODERNIZATION WORKS

### I. OBJECT OF THE PROJECT

The aim of the project is thermomodernization of educational buildings in city of Bytom with the intention to reduce costs of heat production and electricity consumption in buildings while simultaneously updating the technical equipment of the installation and efficient management of energy costs. The scope of the project includes 17 educational buildings within the city of Bytom. The duration of the contract shall last for 16 years and 6 months (198 months), with construction stage lasting 18 months, and management stage 180 months.

### II. LEGAL FRAMEWORK FOR SELECTION OF PRIVATE PARTNER

According to art. 4 paragraph 2 of the act of 19 December 2008 concerning public-private partnership, the Private partner was selected according to the Public Procurement act of 29 January 2004 following a competitive dialogue process.

### III. PUBLIC ENTITY

City of Bytom, Parkowa 2, 41-902 Bytom.

### IV. PRIVATE PARTNER

A consortium between Siemens Sp. z o.o [Ltd.] i Siemens Finance Sp. z o.o. [Ltd.], Żupnicza 11, 03-821 Warszawa.



## V. RESPONSIBILITES OF PRIVATE PARTNER

The private partner's key components include financing and estimation of project completion costs and design of thermomodernization works (including energy management system), but during the maintenance stage the private partner is obligated for the technical efficiency and management of energy resources which is essential to the project's goals under the contract. The private partner gives the public entity a guarantee of savings for heating energy consumption of approximately 49 % and electrical consumption by approximately 19 %.

DIVISION OF TASKS AND RISKS	
PUBLIC ENTITY	PRIVATE PARTNER
risk of changes in energy prices	Risk related to the design
risk associated with the change of usage of buildings within the scope of the project	Risk associated with obtaining administrative decisions
political risks	risk associated with project's financing
risk associated with the transfer of own contribution	risk of proper and timely thermomodernization's execution
risks associated with geological and mining damages	risk associated with the availability of materials, subcontractors and services
risk associated with necessity of secure funds connected with the obligation to pay remuneration	risk related to increased costs of materials, supplies and services
risk associated with the effects of vandalism and theft in buildings	risk of ensuring a guaranteed level of savings
risk of self-interference in the energy management system	risk associated with the management of energy in buildings and maintaining the technical efficiency of installed equipment
	risk associated with the proper functioning of the energy management system

## VI. FINANCING

The private partner has financed the project's investment realization stage taking into account the public entity's own contribution for the purpose of energy audits of the subject buildings. Remuneration to the private partner shall come from the public entity, within the framework of regular semi-annual payments made under the provisions of the contract schedule. Funds for remuneration payments shall be provided as a result of the savings generated by the thermomodernization. In the event the guaranteed savings are not achieved according to the contract, the remuneration to the private partner in a given fiscal year will be reduced by the difference between actual consumption versus the consumption described in the PPP agreement.



## VII. OBJECTIVES OF ADVISOR

Kancelaria Doradztwa Gospodarczego Cieślak & Kordasiewicz during the period from 19 July 2012 to 30 June 2014 has completed comprehensive consulting services including:

- ✓ Preparing a comprehensive analysis of the legal and financial aspects of the implementation of PPP project.
- ✓ Recommendation of the legal form and mode of award of the contract according to act on public-private partnership and Public Procurement Act.
- ✓ Development of the procedure's schedule.
- ✓ Verification of required documentation to initiate the procedure for selecting the private partner.
- ✓ Preparation of PPP contract's draft and negotiations about contract's contents with private partners involved in the competitive dialogue.
- ✓ Preparing proposals for specific award criteria.
- ✓ Consulting to develop the Terms of Reference.
- ✓ The analysis of the liabilities of the PPP agreement on the public debt and budget deficit.
- ✓ Current explanations regarding legal issues.

## VIII. PROJECT'S SCHEDULE

<b>PROJECT'S SCHEDULE</b>	
<b>PUBLIC PROCUREMENT NOTICE</b>	<b>13 DECEMBER 2012</b>
<b>ASSESSMENT OF REQUESTS TO PARTICIPATE</b>	<b>MARCH 2013</b>
<b>COMPETITIVE DIALOGUE</b>	<b>APRIL 2013 – DECEMBER 2013</b>
<b>INVITATION TO TENDER</b>	<b>APRIL 2014</b>
<b>SELECTION OF THE BEST TENDER</b>	<b>JUNE 2014</b>
<b>SIGNING OF THE PPP CONTRACT</b>	<b>30 JUNE 2014</b>
<b>THE TERMINATION OF INVESTMENT</b>	<b>SEPTEMBER 2015</b>

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