

QUICK FACTS

PROJECT TITLE	COMPLEX THERMOMODERNIZATION OF PUBLIC BUILDINGS IN KARCZEW WITHIN THE FORMULA OF PUBLIC-PRIVATE PARTNERSHIP
PPP MODEL	PPP IN PPA MODE
LOCATION	COMMUNITY OF KARCZEW
VALUE OF PROJECT	10 489 341,06 PLN (GROSS)
PROJECT STATUS	STAGE OF MAINTENANCE AND MANAGMENT

I. OBJECT OF THE PROJECT

The aim of the project is thermomodernization of public buildings 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 for period of 14 years from the date of signing the PPP agreement. The scope of the project includes 10 public buildings within the commune of Bytom.

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 Public Procurement act of 29 January 2004 following on competitive dialogue process..

III. PUBLIC ENTITY

Community od Karczew, Warszawska 28, 05-480 Karczew.

IV. PUBLIC ENTITY'S OWN CONTRIBUTION

Public entity's own contribution is documentation relating to the energy audits, design documentation for 3 buildings and funds from National Fund for Environmental Protection and Water Management (about 15% of investment).

V. PRIVATE PARTNER

Siemens Sp. z o.o. Building Technologies, Żupnicza 11, 03-821 Warszawa.



VI. RESPONSIBILITIES 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 on maintenance stage the private partner is obligated for 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 56 % and electrical consumption by approximately 20, 9 %. Additional savings are revenue of community of Karczew.

DIVISION OF TASKS AND RISKS	
PUBLIC ENTITY	PRIVATE PARTNER
risk associated with the transfer of own contribution	risks associated with execution of energy audits, construction project and obtaining of building permits
risk associated with necessity secure funds connected with the obligation to pay remuneration	risk associated with project financing
risk associated with the change of usage of buildings within the scope of the project	risk of proper and timely thermomodernization's execution
risk relating to changes in the costs of building's exploitation	risk associated with the availability of materials, subcontractors and external experts
risks associated with the settlement of funds from National Fund for Environmental Protection and Water Management	risk related to increased costs of materials, supplies and services
legislative risks including changes in law, tax rates, fees, introduction new public taxes	risk of providing a guaranteed level of thermal energy savings and electricity at the level specified on offer
political risk	risk relating to technical and technological changes
	risk of increasing cost of buliding's maintenance

VII. THE REMUNERATION OF THE PRIVATE PARTNER

Remuneration to the private partner is derive in the form of availability payments made exclusively from the public entity. Compensation includes all costs of works implementation and buildings maintenance for a 14 year period, including private partner's risk of underestimation of costs under the agreement, as well as other factors influencing costs. In the event of higher savings are achieved according to the agreement, such savings



are allocated to public entity. If savings fall below the agreed amount, the private partner shall compensate public entity the difference in such savings, as a result of thermomodernization.

VIII. OBJECTIVES OF ADVISOR

Kancelaria Doradztwa Gospodarczego Cieślak & Kordasiewicz during the period from 13 November 2011 to 6 February 2012 has completed comprehensive consulting services including:

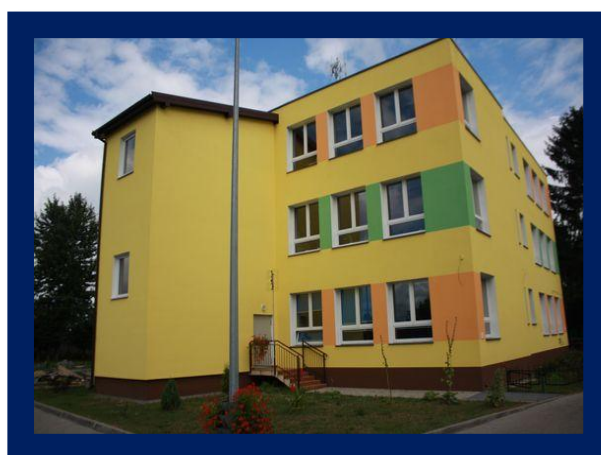
- ✓ Meeting with representatives of commune of Karczew.
- ✓ Preparing a comprehensive analysis of the legal and financial aspects of the implementation of PPP project.
- ✓ Development of the procedure's schedule.
- ✓ Preparing of required documentation to initiate the procedure for selecting the private partner.
- ✓ Advising the tender committee.
- ✓ Preparation of PPP contract's draft.
- ✓ Current explanations regarding legal issues.

IX. PROJECT'S SCHEDULE

PROJECT'S SCHEDULE	
PUBLIC PROCUREMENT NOTICE	24 JANUARY 2012
COMPETITIVE DIALOGUE	APRIL – AUGUST 2012
INVITATION TO TENDER	NOVEMBER 2012
SELECTION OF THE BEST TENDER	17 DECEMBER 2012
SIGNING OF THE PPP CONTRACT	2 JANUARY 2013
TERMINATION OF THERMOMODERNIZATION WORKS	31 DECEMBER 2013
THE END OF PPP AGREEMENT	31 DECEMBER 2027



X. EFFECTS



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