**Smart Energy Cities Supplier Bootcamp Q&A**

There has been an overwhelming interest in the new potential framework ‘Smart Energy Cities’. Following the Supplier Bootcamp and Webinar the team has identified FAQ’s that cover a range of queries as well as raising interesting paths of investigation.

If there are any answers below which you, as a supplier, feel do not satisfy please email smart-energy-cities@crowncommercial.gov.uk

**Section 1 - Structure & Scope of the Agreement**

1. Question:

How will the Framework fit alongside existing frameworks from within CCS?

Answer:

We understand that some of the elements of the SEC framework overlap existing frameworks, but we recognize the importance of ‘Smart Energy’ as a concept which deserves a separate framework.

We are making an effort to work across the CCS to provide a holistic solution for the Public Sector to avoid ‘siloed’ thinking.

1. Question:

Is the CCS engaging with customers? Are Local Authorities and Central Governments partners on board?

Answer:

Yes. Just as we engage with suppliers to understand the Market of ‘Smart Energy Cities’ we are also talking to customers, such as Local Authorities, to establish their needs. Standard CCS procedure is to establish a customer steering board with several customers engaged to ensure the framework is built around the customers’ requirements.

CCS will also work with other organisations such as BEIS, HCLG and OFGEM, etc. to ensure we are capturing the needs of other interested parties and learning from work which has already been done.

1. Question:

What other Areas in Smart Energy Cities are going to be addressed aside from Electricity?

Answer:

The early development of SEC has largely focussed on electricity management. Following feedback from customers and suppliers we understand that other streams including heating and cooling, water, gas and decarbonisation could be considered as part of the scope of SEC. These are all insights we will take on board and consider as the framework develops.

1. Question:

Has security been considered as part of the framework?

Answer:

This is a critical area to consider as we move forward with Smart solutions. We have been engaging with government IT security teams to ensure we understand the challenges of installing Smart technology onto government estates with sensitive or even classified information.

1. Question:

How is funding across Silos going to be addressed?

Answer:

We are making an effort to work across the CCS to provide a holistic solution for the Public Sector to avoid ‘siloed’ thinking.

This also needs to be considered in how customers will interact with the framework and forms an important part of our conversations with customers.

1. Question:

How will the CCS ensure that technologies of the future will considered?

Answer:

We are looking towards an outcome based specification so that future technologies can be accounted for, rather than a rigid list of technologies which could quickly become outdated in this fast-moving are.

1. Question:

Should this procurement exercise be focussed on partnerships – it cannot be an iterative process, it needs a transformation of approach which might need a full partnership. Each city has its own needs and each project will need to be developed in isolation.

Answer:

That may be the best solution to avoid the siloed thinking and ensure a holistic Smart framework across a user’s needs, but we are not making a decision at this point. There are also considerations that a partnership approach might exclude smaller players who are not capable of taking on projects of this type or size.

1. Question:

Will CCS consider to split out technologies – i.e. EV charging and WiFi separate from the lighting/controls package?

Answer:

We envisage providing solutions for individual elements as well as for a holistic solution, although we believe the integrated solution offers the best all-round benefits.

1. Question:

Will LED luminaire supply be separated from the other SEC elements, or will CCS be specifically looking for a joint package?

Answer:

We have not made a definitive decision on what form the framework will take, and we will be led by customer requirement. Supply of LED luminaires could form part of a holistic solution or it may be felt that this could be better supplied through another route.

1. Question:

Will the installation be separately tendered?

Answer:

We have not made a definitive decision on what form the framework will take, and we will be led by customer requirement. It may well be that a single ‘Smart Installer’ could act as a main contractor with further call-offs for each additional Smart technology as required by a customer, or it may be that each technology requires its own specialised installation expertise.

1. Question:

Will the Local Authority or the Framework Contractor be the end user of the Smart technology packages?

Answer:

We envisage that this will depend on the customer and their individual requirements, as there are benefits to both approaches.

1. Question:

How will the framework mitigate the issue of UnMetered Supply system in the UK and calculus of Elexon coding when adding Smart equipment onto the existing infrastructure?

Answer:

We will need to investigate the impact of this and will discuss with Elexon how any downsides can be mitigated.

1. Question:

Will the framework for Smart Energy Cities just focus on Energy?

Answer:

Although our remit within Utilities and Fuels is mainly confined to Energy, we understand that by restricting our own investigation may result in missed opportunities. Therefore we are making a conscious effort to instigate a Smart Steering Board across CCS to ensure all aspects of a ‘Smart’ City are covered.

1. Question:

How will EV charging interact with transport infrastructure?

Answer:

There are a number of unknowns regarding the future development of transport, but we envisage the SEC framework offering enough flexibility to capture the possible different trajectories.

1. Question:

Will SEC be considering water treatment works, and heat extraction from water facilities?

1. Answer:

Water treatment works are a specific type of energy consumer particular to water companies, and as such are unlikely to be captured by this framework for common good and services.

Heat reclamation from a number of sources will be considered, including from water and wastewater sources.

1. Question:

Will Vehicle to Grid (V2G) charging be considered in the framework?

Answer:

The technology for V2G is in early stages of development, therefore the framework may not feature V2G charging from the start. However, we will keep account of emerging technological advances and ensure that new Smart technologies are included if and when they become commercially viable.

1. Question:

Does this need a commercial model to function? What is the capability of LAs to deliver, and should this be wrapped up in a private vehicle?

Answer:

The process of discovery is intended to capture the right commercial decisions in a framework which can be used by a wide variety of public sector organisations. Capability of customers to deliver is always a consideration, we may need to find ways to upskill, support or build the procurement in the correct way.

1. Question:

What is ‘success’ for this framework?

Answer:

Beyond the obvious answers of reducing energy consumption/spend and decarbonisation, each of our customers may have another benefit they are hoping to achieve, whether site resilience, provision of services for their customers or even alleviating fuel poverty.

From our point of view, success is helping to drive an uptake in these new technologies to deliver benefit to the public sector.

**Section 2 - Procurement Structure and Process**

1. Question:

How long will the Framework last?

Answer:

CCS’s frameworks typically last 4 years, and we expect Smart Energy Cities to be no different, although we do recognise that much of the Smart Energy space is changing rapidly. Contracts entered into through the framework can last beyond the term of the framework however, for example a rental agreement for EV charging points could last for 10 years.

1. Question:

Is the use of CCS mandatory in Central Government, and does this extend to Wider Public Sector?

Answer:

There is a soft mandation to use CCS in CG, but no mandation in WPS. This means the CCS will need to provide a market-leading offer in order to guarantee business across a large portion of the possible customers.

1. Question:

With reference to the Framework Agreement, the PIN say the value will be £0.5bn. Over how long a period will this be?

Answer:

The £0.5bn included in the PIN would be over the lifetime of the agreement, which is expected to be four years. Obviously at this point we are still investigating the size and scope of the opportunity, so the £0.5bn in the PIN may change. We will keep updating the documentation as we progress through the development process.

1. Question:

Is there a danger SMEs will be will be disadvantaged by such a big framework?

Answer:

SMEs are amongst the most innovative of companies in the Smart Energy market, so CCS is actively approaching SMEs to ensure that they have the opportunity to be on the framework.

1. Question:

Will the Supplier who can offer the service/product the cheapest win the tender? Shouldn’t this be measured by the benefits and service?

Answer:

Buying the lowest cost service/product can be a problem if it drives the wrong behaviour. It is not necessarily the right answer and the driver should always be the greatest benefit to the customer over the lifetime of the project. At the CCS we operate on the concept of Value for Money meaning we can account for these aspects within our framework.

1. Question:

How do Suppliers further engage?

Answer:

The CCS will be sending out Requests for Information (RFI’s) in December followed by Supplier 1-2-1’s where we will further gain insight into supplier’s thoughts in this area.