# Market engagement questions

Instructions to Respondents

**Completion**

Please complete this questionnaire in its electronic format by using the response boxes.

**Queries**

Queries in relation to completing this questionnaire should be directed to Mr Thad Dell through the messaging service facility available on the Kent Business Portal.

**Supplier Day**

KCC will have a supplier day on **THURSDAY 14th NOVEMBER** 10am to 2pm to which all respondents are invited. There will be an opportunity to hear about the scheme developments and one to one dialogue with the project team.

Please confirm your intention to attend as part of your submission.

**Return**

Please return all completed questionnaires [via](mailto:via) the portal by **17:00 hours on Thursday 31st October 2019**.

**General**

The respondents should note that the responses will not be considered as expressions of interest in any way, and whichever approach is chosen by KCC, there will be no impact of this exercise on the bidders’ evaluation in any subsequent procurement process. KCC reserves the right not to progress the project or any procurement process.

The purpose of this exercise is to help inform KCC of an appropriate structure for any future delivery model and to ascertain interest from potential 3rd party partners/tenderers. KCC would like to understand the market’s appetite for the proposed Energy Network risks and the likely return that would be required by private investors or participants to invest or participate in the project.

Please note that comments received will be treated in the strictest confidence by KCC, but may be subject to disclosure under the Freedom of Information (FOI) Act. Accordingly, respondents should indicate clearly in their responses any information contained therein that should be considered as commercially sensitive and respondents must specify the reasons for its confidentiality or commercial sensitivity. KCC will, where possible, consult with respondents about confidential or commercially sensitive information so identified before making a decision on a FOI request received.

Respondent’s introduction

Full name of respondent (company/individual)

Brief introduction of respondent

Relevant contact person name

Position and Organisation Chart

Contact Number

Other contact information

I would like to attend the supplier day on Thursday 14th November 2019 10am – 2pm.

Yes / No

**Commercial Structure**

1. Please provide a summary of your current role in the District Heating market and your experience of developing heat networks? (Max 500 words)

Click here to enter your response

1. What is your company’s capability and appetite to be involved in the Maidstone Heat Network Project? Please explain why you are interested in the project? (Max 500 words)

Click here to enter your response

1. From your perspective, what is your preferred delivery structure for this scheme? Please highlight your answer below. 1 = Agree 2 = Disagree

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* 1. Design, Build, Operate & Maintain (non sub-contracting for any below structure) 1 2
  2. Joint Venture ESCo with Kent County Council 1 2
  3. As a 3rd Party ESCo 1 2
  4. Concession Model 1 2
  5. Project Sponsor ESCo 1 2
  6. In-house Delivery 1 2

1. Please explain your preferred delivery structure from your company’s perspective? (Max 500 words)

Click here to enter your response

**Finance**

1. Can you provide funding for this project? And if so what type and level would you consider for a project of this type/size?? (Max 150 words)

Click here to enter your response

1. What is the minimum and maximum investment you would consider for a scheme of this nature? (Max 150 words)

Click here to enter your response

1. Please indicate the expected timescale of any funding and how this will be allocated over time? (Max 150 words)

Click here to enter your response

1. Your desired hurdle rate, IRR (real terms not inflation) for this project or similar type? (Max 150 words)

Click here to enter your response

1. The type of due diligence you would expect to perform in respect of the project? (Max 500 words)

Click here to enter your response

**Technology**

1. What suggestions would you make with regard the technology choices made so far within the report? What changes or recommendations would you make? (Max 250 words)

Click here to enter your response

1. How would you completely decarbonise this project? What technologies would you use? (Max 250 words)

Click here to enter your response

1. What do you think are the key risks and issues associated with the scheme and suggested approach to mitigation. (Max 250 words)

Click here to enter your response

**Your offer**

1. Please provide any further information you would like to add in relation to your potential involvement in the Maidstone Heat Network project? The following maybe useful to consider? (Max 2000 Words)

Click here to enter your response

## You may wish to include:

## Experience and track record of heat networks delivery, including cities / local authorities in the UK and Europe

* Opportunity to elaborate on preferred partnering approaches / commercial structures
* Experience of developing and growing heat networks over time
* How the heat network could be designed for expansion with consideration of technology
* Whether low carbon heat can be increased / accelerated for the Maidstone heat network & how this would affect the project commercially
* Consumer pricing principles, for example how capital costs vs ongoing operational costs are reflected in tariffs