

### QUICK FACTS

<b>PROJECT TITLE</b>	<b>THERMOMODERNIZATION OF PUBLIC BUILDINGS IN DĘBE WIELKIE WITH THE FORMULA OF PUBLIC-PRIVATE PARTNERSHIP</b>
<b>PPP MODEL</b>	<b>PPP IN PPA MODE</b>
<b>LOCATION</b>	<b>DĘBE WIELKIE</b>
<b>VALUE OF PROJECT</b>	<b>11 665 692, 62 PLN (GROSS)</b>
<b>PROJECT STATUS</b>	<b>STAGE OF MAINTENANCE AND MANAGMENT</b>

#### I. OBJECT OF THE PROJECT

The aim of the project is thermomodernization of five public buildings in Dębe Wielkie (educational buildings and building of municipal office) 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 duration of the contract shall last for 15 years, with construction stage lasting 1 year, and management stage 14 years.

#### 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

Dębe Wielkie, Strażacka 3, 05-311 Dębe Wielkie.

#### 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. 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 during 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 31,1 % and electrical consumption by approximately 16,8 %.

<b>DIVISION OF TASKS AND RISKS</b>	
<b>PUBLIC ENTITY</b>	<b>PRIVATE PARTNER</b>
macroeconomic and legislative risks including changes in law, tax rates, fees, introduction new public taxes and changes of energy price	risks related to the development of project's documentation and obtaining of building permits
risk associated with the change of usage of buildings within the scope of the project	risk associated with project financing
political risks and risk of natural disasters	risk of proper and timely thermomodernization's execution
risk associated with the transfer of own contribution	risk associated with incompatibility of works's execution with conditions and standards set in the project's documentation
risks associated with geological and mining damages	risk associated with the availability of materials, subcontractors and external experts
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 incorrect solutions concerning project's documentation
risk of self-interference in the energy management system	risk related to participation of subcontractors
risk of changes in energy prices and interruptions in energy supplies	risks of developing or application the implementation of new technologies enabling to obtain at least offered or higher savings
	risk of providing a guaranteed level of thermal energy savings and electricity at the level specified on offer
	risks associated with the performance in the framework of maintenance



	risks associated with the availability of funds and materials, which are necessary for the maintenance of buildings
	risk of increasing cost of buliding's maintenance
	risks associated with the proper functioning of the system

## VI. FINANCING

The private partner has financed the project's investment realization stage. Remuneration to the private partner shall come from the public entity, within the framework of regular 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. Public entity's own contribution is financing of part of the expenses for the project (funds for the execution of energy audits).

## VII. OBJECTIVES OF ADVISOR

Kancelaria Doradztwa Gospodarczego Cieślak & Kordasiewicz during the period from 24 April 2013 to 19 January 2015 has completed comprehensive consulting services including:

- ✓ Recommendation of the legal form and mode of award the contract according to act for public-private partnership and Public Procurement Act.
- ✓ The analysis of the liabilities of the PPP agreement on the public debt and budget deficit.
- ✓ Development of the procedure's schedule.
- ✓ Developing the necessary documentation to initiate the procedure for selecting the private partner.
- ✓ Advising the tender committee.
- ✓ Preparation of PPP contract's draft and negotiations about contract's contents with private partners involved in the competitive dialogue.
- ✓ Preparation of proposals for specific award criteria.
- ✓ Verification of developed technical documents related to the implementation of the project.
- ✓ Advising on drawing up the specification of essential terms.
- ✓ Current explanations regarding legal issues.



## VIII. PROJECT'S SCHEDULE

<b>PROJECT'S SCHEDULE</b>	
<b>PUBLIC PROCUREMENT NOTICE</b>	<b>1 AUGUST 2013</b>
<b>ASSESSMENT OF REQUESTS TO PARTICIPATE</b>	<b>SEPTEMBER 2013</b>
<b>COMPETITIVE DIALOGUE</b>	<b>SEPTEMBER 2013 – JANUARY 2014</b>
<b>SELECTION OF THE BEST TENDER</b>	<b>14 JANUARY 2014</b>
<b>SIGNING OF THE PPP CONTRACT</b>	<b>30 JUNE 2014</b>

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