

APPENDIX 14.1:

Energiekontor Contractor Procurement Policy

Background

Energiekontor UK Ltd is a renewable energy development company with offices in Leeds and Glasgow. The company was formed in 1999 and develops small to medium-sized onshore wind and solar farms throughout the United Kingdom. The company operates seven existing wind farms in the UK with consents for a further two projects. EK also has a number of other wind and solar projects at various stages of the development process throughout the UK.

Energiekontor UK Ltd is part of the Energiekontor Group. The parent company, Energiekontor AG, was established in 1990 in Bremerhaven in Northern Germany. It has since grown to become one of the leading wind energy companies in Europe and is active in Germany, Portugal and the UK. The company has built more than 100 onshore wind farms in Europe.

Aims

Many local companies are ideally placed to supply materials and services for our projects but may find it difficult to compete with national suppliers. Balance of Plant (BoP) construction contracts are normally selected on the basis of the 'most economically advantageous offer'. The aim of this policy is to ensure that the community and local employment benefits offered by contractors are recognised in the evaluation and award of Balance of Plant (BoP) construction contracts.

Justification

By recognising the economic advantage that the contract may bring to local communities and individuals, our policy seeks to foster a closer relationship between Energiekontor and local communities. The construction of the development will be the first physical activity in a project that will exist for at least 25 years and a close relationship between those parties is desirable for all concerned.

Policy Statement

We have defined our strategy in the following policy statement:

When assessing bids for supply of materials and services to construct our projects, Energiekontor will give significant weight to bids from suppliers who demonstrate they have an established local presence, employ local people and source materials within the respective local authority region. Regional suppliers who meet our procurement qualification standards will be given a 5 % price advantage on local market prices over National suppliers through the bidding process.