**METHODS**

**FOR DETERMINING THE COMPLEX EVALUATION OF BIDS**

**in a procedure subject to:**

*"****Supply of natural gas via pipeline for the needs of Bulgargaz EAD for the period November 2022 - December 2023****"*

**А. General Rules:**

1. For the purposes of the methodology, the evaluation of the bids submitted shall be made separately for the following periods:

* 01 November 2022 – 31 December 2022, incl.
* 01 January 2023 – 31 December 2023, incl.

1. The price of supply of pipeline natural gas is the price of Virtual Trading Point (VTP) Bulgaria.

The price in EUR per MWh is set at the Virtual Trading Point (VTP) of the Bulgarian National Gas Transmission Network (NNGTN). For bids with proposed prices at the entry point of the NNGTN, costs to the VTT shall be added as follows:

* Capacity product costs at the respective entry of the Bulgarian gas transmission network, calculated according to the tariffs of the operator Bulgartransgaz EAD for the gas year 2022-2023 [(](https://www.bulgartransgaz.bg/files/useruploads/files/prozrachnost-tarifi/TAR%20Period%202022_2023/Prices_2022-2023.pdf)https://www.bulgartransgaz.bg/files/useruploads/files/prozrachnost-tarifi/TAR%20Period%202022\_2023/Prices\_2022-2023.pdf), converted into Euro/MWh at the exchange rate of BGN 1.95583/Euro, as follows:
  + For November and December 2022 - monthly capacity product
  + For 2023 - quarterly capacity product
* Transmission costs from the respective entry of the Bulgarian gas transmission network to the VTP in the amount of 0.5374 BGN/MWh or 0.2748 Euro/MWh

For clarity, the final price used to determine the price proposal contains the following elements :

**P= entry NGP + entry CP + TF to VTP**

Where:

**P** - is the final price used to determine the price offer

**entry NGP** - is the price of natural gas at the entry of the Bulgarian gas transmission network

**entry CP** - is the price of a capacity product at the respective entry of the Bulgarian gas transmission network

**TF to VTP** - is the transmission fee to VTP Bulgaria

**B. Methodology for determining the complex evaluation of bids**

The complex evaluation of the offers (CO) will be determined as the sum of four indicators according to the formula:

**CO=K1+K2+K3+K4,**

Where:

K1 is the proposed price

K2 are the proposed payment terms

K3 is the deadline for changing the requested monthly quantities

K4 is the flexibility of taking the fixed daily quantity

The maximum number of points that can be obtained from the complex assessment for all indicators is 100 points.

The score for each indicator is determined as follows:

**K1 Price offer**

Relative weight of the indicator in the complex evaluation is 70%, maximum number of points - 70.

The bid of the tenderer who has offered the lowest price will be awarded the maximum possible number of points in the complex evaluation. The lowest price is the price offered with the highest discount in euro per MWh to the TTF front month. The minimum discount offered to the TTF shall be '- EUR 40'.

The score for this indicator is calculated according to the following formula:

**K1 = (nX/nMax)\*70**, where,

**nX** - is the proposed discount of the specific participant

**nMax** - is the highest discount of all offers with prices referring to TTF fm

**K2 Payment terms**

Relative weighting in the complex assessment is 20 %, maximum score 20 points.

The maximum possible number of points under indicator K2 will be awarded to the tenderer who has offered the most advantageous payment terms. The most advantageous payment terms shall be: the lowest advance payment percentage and the longest payment period after delivery.

The score for this indicator is based on the sum of two sub-indicators, using the formula:

**K2=K2.1+K2.2,** where:

**K2.1** is the amount of the advance payment in % of the price

**K2.2** is the time limit for payment of the price after delivery, specified in days.

**Method of assessment for sub-indicators K2.1 and K2.2:**

|  |  |
| --- | --- |
| **K2.1 Advance payment in the month of delivery** | **Points** |
| 50% | 2 |
| up to 40% | 4 |
| up to 30% | 6 |
| up to 20% | 8 |
| up to 10% | 10 |
| **K2.2 Payment term after monthly protocol** | **Points** |
| 10 days | 2 |
| 12 days | 4 |
| 13 days | 6 |
| 15 days | 8 |
| over 15 days | 10 |

**K3 Delivery schedule request deadline**

The relative weight of the indicator in the overall assessment is 5 %, maximum score - 5 points.

The bid of the tenderer who has proposed the shortest possible delivery schedule will be awarded the maximum possible points in the complex assessment.

The score for this indicator is calculated according to the following formula:

If the delivery schedule is more than 30 days - 0 points, for all other cases, the following formula shall apply:

**K3 =nMin ND /nX ND\*5**, where:

**nMin ND** - minimum period in number of days of all offers

**nX ND** - period in number of days for the specific offer

**K4 Flexibility of taking the fixed daily quantity**

Relative weight in the overall assessment is 5 %, maximum score 5 points.

Method for determining the score for sub-indicator K4:

|  |  |
| --- | --- |
| **Flexibility of taking the fixed daily quantity** | **Points** |
| Less than +/- 10% | 0 |
| +/- 10% | 2 |
| +/- 20% | 3 |
| Above +/-20 % | 5 |

**Final ranking**

The final ranking of the bids shall be carried out in descending order on the basis of the complex evaluation obtained for each bid. First place shall be awarded to the tenderer whose tender has received the highest overall assessment (highest number of points).

Where the aggregate marks of two or more bids are equal, the bid containing the more advantageous proposals, evaluated in the following order, shall prevail:

- lower offered price at higher offered discount in EUR per MWh to TTF front month;

- more favorable payment terms;

- more flexible conditions for requesting delivery timeline;

- providing flexibility of taking the fixed daily quantity.