**METHODOLOGY**

**FOR DETERMINING THE COMPLEX EVALUATION OF BIDS REFERRING TO THE HENRY HUB (HH) INDEX**

**in a procedure with subject:**

*"****Supply of liquefied natural gas (LNG) for the needs of Bulgargaz EAD***

***for the period 2024-2034****"****.***

**The complex evaluation of the offers (CE) will be determined as the sum of two indicators according to the formula:**

**CE=K1+K2+K3+K4+K5,**

Where:

K1 is the proposed price

K2 is the deadline for delivery schedule change

K3 are the proposed payment terms

K4 is the number of years of supply that can be provided by the seller

K5 is the proportion of the fixed annual quantity that can be offtaken in the following year(s)

The evaluation for each indicator is determined as follows:

**K1 Price offer**

The relative weight of the indicator in the complex evauation is 50%. The maximum number of points that may be obtained for this indicator is 50.

The bid of the participant who has offered the lowest price **per MMBtu** will be awarded the maximum possible points in the complex evaluation.

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

 If the deadline for change of the delivery schedule is more than 60 days prior to the agreed delivery time line - 0 points, for all other cases, the following formula shall apply:

**K1 = (nMin/nX)\*50**, where,

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

**nMin** - the lowest price of all bids with prices referring to HH

**K2 Delivery schedule request deadline**

The relative weight of the indicator in the complex evaluation is 5 %. The maximum number of points that may be awarded under this indicator is 5.

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

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

If the delivery schedule is more than 60 days - 0 points, for all other cases, the following formula:

**K2 =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

**K3 Payment terms**

Relative weight in the complex evaluation is 10%. The maximum number of points that may be obtained under this indicator is 10.

The maximum possible number of points under indicator K3 will be awarded to the participant 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 evaluation for this indicator is based on the sum of two sub-indicators, using the formula:

**K3=K3.1+K3.2,** where:

**K3.1** is the amount of the advance payment in % of the price

**K3.2** is the time limit for payment of the price after delivery, specified in days.

**Method of evaluation for sub-indicators K3.1 and K3.2:**

|  |  |
| --- | --- |
| **K3.1 Advance payment** | **Points** |
|  50% | 1 |
| up to 40% | 2 |
| up to 30% | 3 |
| up to 20% | 4 |
| up to 10% | 5 |
| **K3.2 Payment term after last day of delivery** | **Points** |
| under 10 days | 0 |
| 10 - 14 days | 1 |
| 14 - 21 days | 3 |
| over 21 days | 5 |

**K4 Number of delivery years that can be provided by the seller**

Relative weight in the complex evaluation is 30%. The maximum number of points that may be obtained under this indicator is 30.

The maximum possible number of points under indicator K4 will be awarded to the bid of the participant who has offered the longest delivery period in years.

**Method for determining the evaluation for sub-indicator K4:**

|  |  |
| --- | --- |
| **K4 Number of years for delivery** | **Points** |
| Delivery for a period of 3 years | 3 |
| Delivery for a period of 5 years | 5 |
| Delivery for a period of 10 years | 30 |

**K5 Proportion of the fixed annual quantity that can be offtaken in the following year(s)** - not less than 10%.

Relative weight in the complex evaluation is 5%. Number of points to be awarded under this indicator - 5 points.

The points for indicator K5 will be awarded to the bid of the participant who has proposed the possibility of carrying forward a proportion of the annual quantity to be offtaken in the following year(s).

**Final ranking**

The final ranking of the admissible 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 participant whose bid has obtained the highest complex evaluation (highest number of points).

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

- lower offered price;

- more favourable payment terms;

- more favourable delivery conditions.