**Insert Date> <Insert Letterhead>**

Mr Joe Arena

Chief Executive Officer

Procurement Australia

Level 18, 461 Bourke Street

Melbourne, VIC 3000

Dear Joe,

**Re: Procurement Australia Tender and Resultant Contract:**

**2506/0641 Retail Energy**

Fixed term, fixed contestable energy price per 12-month period methodology.

Duration: 2- or 3-year contract duration (at individual member determination however dependent upon the expiry date of your current retail contract) commencing 1st July 2022 or other date as determined by you.

Thank you for providing us the opportunity to be included as a participant in the aggregated member tender facilitated by Procurement Australia for the above-mentioned contract which encompasses electricity, natural gas, public lighting, and solar feed-in tariff requirements.

As an enhancement to this tender, and to assist Member organisations to achieve their broader renewable energy and sustainability objectives our intention also via this tender is to seek from the market both mandatory and voluntary level Large Generation Certificates (LGCs) that are provided by one renewable generating asset in each state. We will also be seeking an LGC contracting arrangement whereby individual members can elect post tender to purchase voluntary level LGCs to a level determined by each member’s needs should any member wish to purchase voluntary level LGCs.

We acknowledge the financial and long-term benefits delivered through volume and spend aggregation and recognise the importance of providing Procurement Australia with our binding commitment to the tender process and resultant outcome, current spend, volume and interval data to allow Procurement Australia to undertake the work and deliver the most competitive outcomes possible.

The purpose of a request for tender event for the above-named contract relies on binding committed volume from participating members for both the tender & retail contracting stages of the process.

Procurement Australia is requested and thus is authorised on our behalf to undertake the following:

* Act as a tendering agent for our organisation and conduct an aggregated member public tender on our behalf with our committed energy volume included in respect to the above contract.
* Obtain all required Site, Consumption, and associated data (interval/meter data, retail agreements) pertaining to our organisation’s current energy retailer(s) via this authority letter from third party entities (to be requested by and received by Procurement Australia’s energy advisors – SavvyPlus Consulting – Suite 116, 838 Collins Street, Docklands, VIC 3008, ABN 65 404 205 032). This information is to be used for tendering purposes only.
* Evaluate the tenders in accordance with the evaluation criteria and weightings & produce a detailed evaluation report to be issued to participating members.
* Award the tender on merit to a retailer or retailers within the defined tender acceptance time period consistent with how the energy sector works.
* Instruct the successful retailer or retailers to issue energy supply agreements to our organisation for execution by our organisation within the validity period determined by the tender process for the management of this aspect.
* Provide ongoing contract support during the contract duration.

Our organisation acknowledges and understands our responsibilities in this process, which are:

* Energy tenders and resultant contracts are considered committed volume events, not Standing Offers. As such, our organisation has appointed Procurement Australia as its tendering agent for this tender process and resultant contract with our binding commitment to execute Energy Supply Agreements (retail contracts) with the successful energy retailer or retailers following the conclusion of the tender stage.
* It has not appointed Procurement Australia for the purpose of bid shopping, price seeking or any other benchmarking activity.
* Our organisation agrees to execute and return the issued retail contracts within 8 weeks of the issue of date of the contracts.

By working in this way, we are focused on potential for greater financial benefits that arise from larger contract sizes, delivering better negotiating power and improved risk management.

**Tender, Contract Duration & Category Participation:**

**Please tick the applicable energy categories your organisation is participating in for this tender and your preference for either a 2- or 3-year contract:**

**ALL categories** (electricity, gas and public lighting)

**OR** (tick as applicable)

Electricity (Large sites)

Electricity (Small sites)

Natural Gas (Large sites)

Natural Gas (Small sites)

Public Lighting

LGC’s (Voluntary level)

Solar feed-in tariff requirements ☐

**Selected Contract Duration:**

Procurement Australia will seek contested pricing up to a maximum term of 30 June 2025. Members can choose a 2- or 3-year term upfront as part of the committed load. If your current retailer agreement expires on or after July 1, 2023 only 2 years can be selected. If before this date then both options are available.

2 Years ☐

3 Years ☐

I confirm that I have the authority within this organisation to appoint Procurement Australia to act as the sole agent and to commit our organisation to this committed volume tender and resultant contract

Yours sincerely,

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| --- | --- |
| Signature: | **If you need further information, please contact:** |
| Printed Name: | Contact Name: |
| Title: | Telephone: |
| Organisation: | Email Address: |