

Request for Proposals tender 8/2022-- Provision of consulting services of electricity trading and various grid aspects.

On behalf of the Israeli Electricity Authority (Hereinafter: "**The Contracting Authority**" or "**the EA**"), I hereby request bids for the provision of consultation services on electricity trade, and various grid aspects, as follow:

1. **Background**

On 03.06.2018 the electricity market reform was approved by the Israeli government (Hereinafter "the government"). The aim of the reform is to increase the energy market's efficiency, to reduce the monopolistic power of the Israel Electric Corporation (IEC) and to strengthen the transition to renewable energy. The main acts of the reform were the separation of the system operator from the IEC to an independent governmental company, privation of five power plants held by IEC, and the exchange of four coal plants with two modern gas power plants.

The reform and opening of the market to competition have created new challenges and questions on behalf of players in the energy market. The main purpose of the consultation is to deal and overcome to those challenges and obstacles, helping in creating a successful and efficient electricity market.

Timeline

Activity	Date
Tender publication	21 July 2022
Last day of questions submission to EA	10 August 2022 at 12:00 PM
Last day of proposal submission	4 September 2022 at 12:00 PM

2. **Details of the Requested Work**

The Consultant will be required to draft up to 10 professional reports regarding issues that will be determined by the Director of Electricity and Regulation

Division and/or a person appointed by him (hereinafter: "DERD"). The subjects on which the reports will be required will be related to the following:

- A. Demand Management.
- B. Interface for commercial management of production facilities in the distribution network.
- C. Uniting different regulations into one market model.
- D. Market monitoring.
- E. Regularization of the entrance of storage facilities to the energy market.
- F. The algorithm used for calculating the System Marginal Price and the dispatch program.
- G. The need and the Regularization of ancillary services market.
- H. Transparency of data in the energy market.

(Hereinafter: "**The Report**" or "**The professional Report**" or "services"),

The professional report, shall be submitted in a structure and a timetable defined by the DERD. The report shall be drafted based on the consultant's professional experience, international Best Available Practices (BAP) and the regulation of the energy market in Israel. In addition it should rely on academic foundations as needed, including any required references.

3. **Manner of Performance of the Services and Timetables**

- A. The work shall be carried out by the Winning Bidder, who shall be selected by the Contracting Authority to provide the services (hereinafter: "**The winning Bidder**"), with the accompaniment and guidance of the DERD.
- B. The work plans, the contents of the work, and the allocation of inputs, required from the Winning Bidder, as well as the timetables, shall be approved by the DERD and shall be coordinated with the Winning Bidder.
- C. The work shall be carried out at the offices of the Winning Bidder. However, the Contracting Authority may invite the Winning Bidder to

Israel to present specific works to the contracting authority staff or for any other reason regarding the work performed by the consultant

4. **Terms of the Provision of the Services by the Winning Bidder**

- A. The services shall be provided personally by the consultants proposed on behalf of the Winning Bidder, according to the Contracting Authority's needs and to its satisfaction. The bidder may propose up to two consultants that will jointly provide the needed services. The Winning Bidder, may not transfer or assign their rights under this bid, in whole or in part, to a third party, unless with the prior written consent of the DERD.
- B. The timetables shall be approved by the Contracting Authority, and they shall be coordinated with the Winning Bidder.
- C. The Winning Bidder shall provide the services with expertise, professionalism and skills, in accordance with the professional standards and the accepted rules of professional ethics.
- D. It is hereby clarified that any material and information collected by the Winning Bidder in the course of his work shall be placed at the disposal of the Contracting Authority, unconditionally.
- E. The Winning Bidder shall begin to provide the services on the date of the signing of the contractual agreement by the parties.
- F. The Winning Bidder is required to be available at any time during the time of the contract for questions, clarifications and requests by phone, mail and alike.
- G. **To bidder's attention:** The EA is interested in receiving services as mentioned above. Without limiting the generality of the foregoing, and for the avoidance of any doubt, it is clarified that the EA does not guarantee a minimum scope of reports. The EA, can at its sole discretion and according to actual needs, require services either for all or for part of the tender. In addition, the Authority may terminate the agreement by giving 30 days' written notice in advance. The Winning bidder will not be eligible to any demand or claim related to the scope of the tender services. The Winning bidder will not be entitled to any payment and/or any compensation, beyond the payment for the provision of the services required by the EA and provided to the satisfaction of the DRED until the end of the contract.

5. Scope and Duration of the Contract

- A. The period of the contract is 12 months, starting from the date of the signing of the contract agreement by the parties (hereinafter: "**the Period of the Contract**").
- B. The Contracting Authority reserves the right to extend the contract for an additional period of up to 2 more year, in the same terms of this agreement, in a way that the whole period does not exceed 3 years.
- C. The Contracting Authority may terminate the contract 30 by giving 30 days' written notice in advance, for any reason and at its sole discretion. The EA decides to terminate the agreement as mentioned above, EA will pay to the Winning bidder only for the services commissioned and accepted o the satisfaction of the DRED, until the date of termination stated in the agreement. The Winning bidder shall not have any claim or demand related to the provisions under this section.

6. The Consideration of the Contract/ The bid

- A. **Bidders in this procedure shall submit a global and uniform price quotation in the currency of USD.** The price quotation shall be for **one professional report**. Such price quotation shall include all of the components of the services' provision, **and shall not exceed a price of 10,000 USD per one professional report**. The bid shall be submitted in the format of Appendix A to annex A.
- B. It should be clarified that with the exception of the payment of the consideration specified in the winning price quotation, the Winning Bidder shall not be entitled to any payment or other benefits for the services such as telephone charges, mail, photocopies, printing, fax, board and lodging, flight expenses and the visit to Israel, including accommodation and any other expenses, ~~as stated in section 2 above~~, etc.
- C. The consideration will be paid after submission of each report according to the labor requirements of this request as mentioned in section 2, to the full satisfaction of the DERD. The Winning bidder undertakes to make corrections to the report, as long as it is necessary until final approval by the DERD, at no additional cost.

7. Threshold Conditions

As a threshold condition for the submission of a bid, the Bidder must stand in all the following conditions:

- A. The bidder administers its accounting records in accordance with the law, or it is exempt from such administration and that it customarily reports regarding its income and that it reports all taxable transactions in accordance with the State's tax laws.

For proof of this threshold conditions, the bidder shall attach a certification of a licensed clerk, accountant or tax advisor, which attests the requested above.

- B. Absence of convictions against the Bidder, the consultants and the controlling party.

For proof of this threshold condition, the bidder shall attach affidavit, signed before an attorney.

The Bidder, the proposed expert or any other interested Party are not residents or have nationality of countries which may defined as Hostile States by the Israeli government. Bidders can find the updated relationship status between Israel and other countries in Ministry of foreign affairs website.

For proof of this threshold condition, the bidder shall attach affidavit, signed before an attorney.

- C. The proposed experts on his behalf (hereinafter: "**The Bidder's proposed experts**" or "**consultants**"), have relevant extensive international experience of at least 5 years in total in the last 10 years, which shall amount to total of at least 50,000 dollars' (combined to the experts proposed by the bidder) worth of consultation work, in no less than 2 markets, in the fields of electricity trading and electricity regulation, relevant to the actual work requirements.

For proof of this threshold condition, the bidder shall attach the following:

1. *The Bidder's proposed experts must submit two professional reports (combined to the two) as an example, for work he carried out related to*

electricity market trading, market monitoring and grid cost recovery aspects.

2. The Bidder's proposed experts shall attach to *there* bid a list of relevant work *they* had carried out, Countries in which the work was carried, the hours spent on the work, the names of the clients for whom the work was carried out the years in which they were carried out, the content of the work and any other details that may assist in evaluating the relevant experience of the bidders proposed experts.
- D. The Bidder's proposed experts must hold at least a bachelor's degree in the field of economics, engineering, mathematics, statistics or natural sciences.

For proof of this threshold condition, the bidder shall attach education diplomas from high education institution

- E. The bidder submitted a full proposal as it is required by this tender document.
- F. The bidder has no conflict of interest as it is required in section 10 hereafter.

A bid submitted not in accordance with the provisions of this section shall be rejected outright. The Contracting Authority reserves the right to correct technical shortcomings in the bid, in order to adjust it to the requirements of the tender, or to request clarifications (but is not obligated to do so).



8. Process of Selecting the Winning Bidder and Criteria in this Procedure:




The applications shall be examined by the EA, who may be assisted, for this purpose, by consultants and experts as it deems appropriate.

For the purpose of examining the applications, the EA shall appoint a subcommittee on behalf of the tenders committee, for the opening of the bids and the analysis of the applications submitted under the framework of the request. The subcommittee shall examine the applications and the proof of the date attached to it, and shall recommend the scores of the applications to the tenders committee, in accordance with the criteria set out in this section.

The procedure of selecting the Winning Bidder pursuant to this request shall be carried out in the following procedure:

P.O.Box 1296, Jerusalem,
91012

 972-2-6217122 


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8.1 At the first step - all of the bids received by the last date for submission of offers shall be examined as to whether they meet the threshold conditions set out in section 7 above. Only an application that meets all of the required threshold conditions shall be examined at the second step.

8.2 At the second step – 100% for quality mark - The quality of the bids shall be examined, in accordance with the weights and requirements set out in section 8A below. Only applications that meet at least 75% out of 100% quality score, will be examined at the third step. A proposal that did not meet the 75% out of 100% quality score, shall be disqualified outright.

8.3 At the third step – 80% - Bids that past the second step will be reweighted and the score that was given in the second step will be multiplied by 0.8.

8.4 At the fourth step - 20% - after the bids were scored according to the third step, the price quotation envelopes shall be opened. The lowest bid will get the maximum available points and all other bids shall be awarded in a relative manner, in descending order.

The bid with the highest final score shall win the first place.

A. **The Second Stage – Examination of the Quality of the Bids – 100% before reweighting (80% after reweighting.)**

1. The examination of the quality parameter shall be carried out in accordance with the following weights:

Quality Parameter	Weight
International extensive experience: International experience in the last 10 years and at least 5 years in total, which includes a variety of consultation projects in electricity field to governmental offices or associates of governmental bodies such as "Independent System Operator" and alike. Quality parameter will take into consideration:	30%

<ul style="list-style-type: none"> - number of consultation in developed countries that the consultants were involved in (15 out of 30 points), - Similarity between the market structure in the relevant countries and the Israeli market structure (15 out of 30 points). <p>In case of two proposed experts, the examination of this criteria will be examines for the combined experience of the experts provided by the bidder</p>	
<p>One professional report:</p> <ul style="list-style-type: none"> - The structure of the report written by the Bidder's proposed experts (5 out of 50 points), - exposition of the problem (5 out of 50 points), the scope and the depth of the report (5 out of 50 points), - the suggested measures presented by the consultants to solve the problem (10 out of 50 points), - usage of advanced mathematical and statistical models as part of the data analysis in the report and the way they are amplified (10 out of 50 points), - usage of international best known practices in the data analysis of the report and the way they are amplified (15 out of 50 points) <p>In case of two proposed experts, each expert will provide a professional report. Each expert will be scored separately And the score will be the average of the score of the two experts</p>	50%
<p>Personal academic background : Master's degree in relevant field (5 out of 20 points) Doctorate degree in relevant fields (10 out of 20 points) Relevant publications (5 out of 20 points)</p>	20%

<p>For the proof of academic experience the bidder shall attach relevant publications and proof of academic experience.</p> <p>In case of two proposed experts, each expert will be scored separately. And the score will be the average of the score of the two experts</p> <p>-</p>	
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For the purposes of this article, see Section 8.2 and 8.3 above.

B. The Fourth Stage – Price quotations – 20%

After scoring the bids at the second and third stages, the **price quotations of the bidders who meet the conditions mentioned above shall be opened.**

The formula to score the price quotations for each bidder is:

$$P = \frac{\text{low price offer}}{\text{price offer}} * 20\%$$

Where:

P- The price score of a bidder (the score of the fourth stage).

low price offer – The lowest price offer for a report in thousands of dollars, amongst bidders that have met the minimal quality mark as mentioned in section 8.2

price offer – The price offer for a report in thousands of dollars, made by the bidder.

9. Additional Details that the Bidder Must Attach to its Application

- A. The structure of the bidder's organization, including the positions of the team members in the organization.
- B. A contractual agreement in the attached formulation, signed, in initials on each individual page, and signed by an authorized signatory on behalf of the bidder's with a full signature and a stamp, placed in the designated space at the end of the agreement.
- C. Bank confirmation of the details of the account to which the payments shall be transferred.

- D. The furnishing of certificates, valid as of the date of the submission of bids in this procedure: a licensed dealer certificate **or** the appropriate certificates of registration as a corporation, as the case may be. If the bidder is a corporation, its participation in this procedure is conditioned on the furnishing of certificate of its registration as a corporation under the law of the state, and of an attorney-certified affidavit listing its authorized signatories and stating their names and their authority to bind the corporation by their signature. In this section "corporation" means a juristic person competent in respect of obligation, rights and legal acts.
- E. All of the certifications and documents required as proof of meeting the aforesaid threshold conditions.

10. Conflicts of Interests/Confidentiality/Proprietorship

- A. The Winning Bidder and / or the proposed experts shall declare and undertake that to the best of his knowledge, he does not have, as of the date of the contract between the parties, and shall not have, during the period of the contract between the parties and for 12 months from the end of the period of the contract, any conflict of interests, of any kind whatsoever. Without derogating from the generality of the above, during the period of the contract, the Winning Bidder shall not represent any person that might position him in a conflict of interest.
- B. The Winning Bidder and the proposed expert will be required to sign an undertaking absence of conflict of interest, as set out in the agreement is an integral part of the tender documents.
- C. The proposed expert declares that he, his directors, his workers or anyone who provides services on his behalf, is not in a conflict of interests for 12 months prior to submission of the bid, on any of the services requested in this tender. The proposed expert is committed to immediately report any data or a case where he may be in a situation of conflict of interest, immediately after encountering it, under and / or the above situation, and that he undertakes to notify the EA immediately of any conflict of interests.
Without limiting the foregoing, EA may require bidders, anytime at its sole discretion to provide a list of clients as well as additional information, as may be necessary.
In any case, the EA will have the power to decide whether the existence of a direct and / or indirect link to any bidder or/and the proposed expert and / or their representative, has any conflict of interest.

- D. The Winning Bidder and the proposed expert are required to sign an unqualified undertaking of confidentiality protection, and to undertake that all of the discussions in which they will take part, as well as all of the findings and data concerning the service provided by them, including the products of their work, shall be kept confidential throughout the period of the contract and thereafter, unless they had received the Contracting Authority's prior written approval for the disclosure of the such findings or data.
- E. Any document prepared by the winning bidder as part of the provision of the services shall be solely the property of the State, and the bidder or any person acting on its behalf shall have no claim or suit regarding this matter. Further, the Winning Bidder or any person acting on its behalf shall not use information that has come to their knowledge as part of the services.
- F. The Winning Bidder, the proposed expert and their representatives shall not use any information obtained during the period of the contract, except for the purpose of fulfilling their duties.
- G. The Winning Bidder, the proposed expert and their representatives shall undertake that they shall not present to any person, other than a representative of the Contracting Authority, the results of the work, during the period of the contract and thereafter, including any document prepared as part of the provision of the services, unless they have received the Contracting Authority's prior written approval for such presentation.

11. Expenses of Participation in the Procedure

The bidder shall solely bear the expenses of its participation in the procedure, and it shall not be entitled to any reimbursement from the EA of such expenses.

12. General Terms



- A. The Contracting Authority may, at its sole discretion, select more than one bid, and it may also split the winning bid between two bidders, at the selection time of the winner or later, or at any other time, as needed, and request additional bids.




- B. The Contracting Authority may, at any time during the Period of the Contract, contact the bidder ranked next after the Winning Bidder/s, and offer it the opportunity of providing the services for the remaining period of the contract under this request or the amount of the remaining hours of work pursuant to this request, in circumstance in which it has become evident that the Winning Bidder/s in this tender is not/are not meeting the requirements specified in this request.
- C. The Contracting Authority may contact all or any of the bidders in order to obtain clarification of or supplements to their bids.
- D. The Contracting Authority may at any time by notice published on the website of the EA, bring forward or defer the last date for the submission of bids and may also change the dates and other conditions relating to this request for proposals, at its absolute discretion.
- E. The Contracting Authority does not undertake to choose any bid, including the cheapest bid, and it may contact additional bidders at any time that it deems appropriate, or decide not to contract at all, for budgetary or other reasons.
- F. It should be clarified that the required work under this RFP must be carried out only by the expert that was offered by the bidder, and stated in threshold in paragraph 7 above. Third party involvement will not be accepted unless prior approval is made by the Contracting Authority.
- G. For the avoidance of doubt it is clarified that nothing in a notification of a Winning Bidder in this request shall terminate the selection process or create a contractual relationship between the Contracting Authority and the Winning Bidder and that pending the signature of authorized signatories on behalf of the Contracting Authority, of a contract between the parties, the Contracting Authority may revoke or vary its decision at its exclusive and absolute discretion.
- H. Nothing in the foregoing shall derogate from the rights of the Contracting Authority and/or of the tenders committee under the Mandatory Tenders Law, or the regulations made pursuant thereto.

13. Manner of Submission of the Bids

- A. The last date for submission of bids is on 4 September 2022 at 12:00 PM (Israel time).
A bid that arrives after the last date and time of submission of the bids shall not be considered and shall be disqualified outright.

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- B. Bids are to be submitted by placing them in the tender box at the offices of the EA, at **Bank of Israel street, 7, Jerusalem**, in closed and sealed envelopes with no identification mark of the bidder **or** sent to **the following dedicated EA email: 08.2022@pua.gov.il** The words "**Bid for the Provision of Consulting Services on Electricity Trading and Various Grid Aspects**" shall be written on the envelope or on the mail header.
- C. The bid and The price quotation shall be submitted together in one envelop or file..
- D. The bids shall be submitted in two copies, together with all attached relevant documents.
- E. The bidder shall attach any document required under the documents of the request for proposals.
- F. For the avoidance of doubt, it should be clarified that the contents of this request are confidential, and that the receiver of this request undertakes not to publish, copy or use the information included in this request, in whole or in part, for any purpose other than responding to the said request.

14. Credits on services and Intellectual property

- A. All rights on services including intellectual property rights according to the law, which the Winning bidder shall perform for the EA, including but not limited to, the final report sections and the full report, prepared for the EA and the accompanying documents relating to the provision of the service, whether created by the EA, generated by "the Winning bidder during the execution of the service, or generated by any other third party, shall be at any time the sole property of the EA. The full intellectual property rights and copyright in them shall also be at any time the sole property of the EA, and the Authority may use them at any time for any purpose it sees fit, without paying any extra charge to the Winning bidder beyond the consideration paid in accordance with the tender, even in the case the EA terminates the work of the Winning bidder. The Winning bidder and/or its representative shall not have any rights on the final report or any section of it and documents, including any moral rights and/or any other right.
- B. The winning bidder or proposed expert will not use any information or materials which will be transferred to them by the EA as part of the services, unless he received prior written permission from the DRED.

15. Proposition of proposal

Every proposal submitted will remain in force including all its details, its components, its annexes and its attachments for 90-days from the deadline of proposals submission. The EA holds the right to announce extension of the validity of bids by additional 30 days. Bidder is not entitled to withdraw its proposal during this period.

16. Trade Secrets/Professional Secrets

In accordance with "The Mandatory Tender Regulation No. 5753– 1993" (The "**Mandatory Tenders Regulations**") non-winning bidders are allowed to ask to review the winning bid against payment of a total amount of 23 \$, to cover treatment costs. Tenders Committee may, at its discretion, present to non-winning bidders, any professional document which it believes does not constitute a commercial or professional secret and which is required to comply with the obligations in Mandatory Tenders Regulations.

Bidder claiming that certain clauses in its bid constitutes a trade secret and is opposing to allow non-winning bidders to review its proposal, if it will be declared the winning bid, may specify in advance in the proposal, which confidential clauses in its bid should not be reviewed by the other bidders (Hereinafter "**Trade Secret**"). Bidder who will mark parts of the proposal as **Trade Secret** forbidden to be reviewed by other bidders, may not review those parts in the winning bid. Notwithstanding the above, the Tender Committee according to its sole discretion, can present to the non-winning bidders, any document, which it believes is not a professional or a commercial secret and which is required to comply with the obligation of The Mandatory Tenders Regulations. In regards to this section, it should be emphasized that the price bid is not constituted a commercial or a professional secret

17. Tender Clarifications

Questions and/or requests for clarifications may be directed in a Word File Format, to odelyaim@pua.gov.il, until 10 August 2022 at 12:00 PM The bidder is responsible to ensure the arrival of the file via phone to 972- (0)2-6217123 or via Email. Questions arrived after the above date will not be accepted, unless authorized by the EA. Clarifications and questions should include the name of the potential bidder, its representative name, fax number and a phone number of the representative.

Clarifications and answers to the inquiries will be published by the EA on the EA website at www.pua.gov.il, without revealing his identity the . The EA does not undertake to answer all the questions. Only questions the EA answered to, are binding.

The bidder bears sole responsibility to keep track on questions and answers posted on the website.

Answers and questions are part of the tender documents and are applied to all participants in the tender.

The bidder shall attach to the bid a signed document which includes clarifications and answers provided by the EA. It is clarified that the answers given by the EA are an integral part of the tender documents.

18. Relations between the parties

The consultancy services shall be provided by the Winning bidder as an independent contractor, and there will not be any employee-employer relations of any kind, for any purpose, between and/or among any service provider on its behalf, including, and the EA. The Winning bidder shall not acquire any employee-employer rights by law, and/or practice and/or a collective agreement and it shall not be entitled to any payment, compensation or other benefits in relation with the execution of this agreement or instruction given according to it or in relation with the cancellation or termination of the agreement or cease of providing the services.

19. Jurisdiction

Exclusive jurisdiction with subjects and matters arising out of or relating to this tender will be only in an authorized court based in Jerusalem, Israel.

Sincerely,

Bidder Name: _____

Bidder address: _____

Phone number: _____

Fax number: _____

Mobile phone number: _____

Date:

Bidder's authorized signature + Stamp

Annex A
Agreement

Made and signed in Jerusalem on the ___ day of ___, 2022

Between:

The Public Utilities Authority – Electricity (EA)

Of Bank of Israel street, 7, Jerusalem, 9101202

Tel: 02-6217100; fax: 02-6217183

Represented by the Chairperson of the EA and Comptroller of the EA
(Hereinafter: **“the Contracting Authority”** or **“EA”**)

Of the first part

And:

(Name of the company + address + I.D. No. (Licensed dealer/corporation reg.
number, as the case may be)
(Hereinafter: **“the bidder”**)

Of the second part



WHEREAS the Contracting Authority is interested in consultation services on electricity trading and various grid aspects, and all as described below in this agreement (hereinafter: – **“the Services”**);






WHEREAS The Contracting Authority issued in order to receive services, the Public Tender No. 8/2022 (the **“Tender”**);

WHEREAS The Tender Committee of the Contracting Authority at its meeting on _____ chose the bidder as the winner of the tender on the basis of his tender offer;

WHEREAS the Consultants proposed by the bidder declare they have the skills, experience and available resources for the services required in the agreement;

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**IT IS THEREFORE AGREED AND STIPULATED BETWEEN THE PARTIES
AS FOLLOWS:**

1. **Interpretation and Appendices**

The preamble to this agreement and its appendices constitute an inseparable part of the same.

- 1.1. This contract shall replace any prior agreements, arrangements and practices that existed between the Employer and the Employee.
- 1.2. Terms appearing in this agreement and in the bidders bid shall be interpreted within the meaning assigned to such terms in this agreement, and in the event of any conflict having appeared between the bidders bid and this agreement, the provisions of this agreement shall apply.
- 1.3. This agreement shall be interpreted in a manner most fully observant of the express and implied requirements of the required services.
- 1.4. The section headings of this agreement are used solely for the sake of convenience, and are not to be used for the interpretation of the terms of the agreement.
- 1.5. This agreement documents constituting an integral part of it are:
Appendix A: Tender Offer by bidder (Bid / Price Offer)
Appendix B: The service/ scope of work
Appendix C: Undertaking to Maintain Confidentiality
Appendix D: Undertaking Concerning Absence of Conflicts of Interests

2. **Definitions**

2.1 In this agreement, the following terms shall have the meaning appearing opposite them:

2.2

"bidder"- The winning bidder of the tender hold by The EA

"Consultants" - Sir / Ms. _____, and Sir /MS as proposed at the Tender Offer by the bidder.

"Information" - any information, know-how, knowledge, document, correspondence, plan, data, model, opinion, conclusion and any other

such thing related to and/or concerning the provision of the services, whether written or oral and/or in any other form or manner of preserving knowledge electrically and/or electronically and/or optically and/or magnetically and/or otherwise, related to or concerning the provision of the services, which is not in the public domain.

"Professional Secrets" - any Information which shall have come to the possession of the bidder or the Consultants in connection with the provision of the services, whether it was received during the provision of the services or thereafter, including, without derogating from the aforesaid: Information provided by the Contracting Authority and/or any other person and/or any person acting on its behalf.

"The Services"/ "report"/"work" - the Requested Work mentioned in the Scope of Work which is attached hereto as **Appendix B.**

3. **Provision of the Services**

- 3.1 This agreement is for the provision of the Services for the Contracting Authority for a total period of 12 months (after the signing of this agreement by the parties) to be scheduled in a reasonable time after the submission of the final report to the Contracting Authority (hereinafter: "the Contract Period").
- 3.2 The EA shall be entitled to extend the agreement for up to 2 years, in the terms of this agreement.
- 3.3 The Contracting Authority may, by 30 days written notice, and at its sole discretion, terminate the contract with the bidder, at any stage during the Contract Period. EA stopped the agreement as mentioned, EA will pay only for the services commissioned and accepted practice, until the date of termination of the agreement stated. The bidder will not be in any claim or demand in relation to the provisions under this section.

4. **The Consultants Declarations and Undertakings**

The Consultant hereby declares that:

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- 4.1 The consultant itself will be provided by the counslatns.
- 4.2 The Consultants undertake to participate in every meeting or discussion Available through telephone, internet or any other technological means necessary.
- 4.2 It shall provide the services to the satisfaction of the Contracting Authority, in accordance with the stipulations of the contract documents, that it is aware that the Services require a high standard of skill and professionalism, and it is solely responsible for the standard and content of the services.
- 4.3 It has experience in providing the services and it is capable of meeting its obligations under this agreement.
- 4.4 It has read all of the terms and requirements of the contract, understood them, and it undertakes to provide the services and any part thereof in accordance with the terms and requirements set out in the contract documents, accurately, efficiently, expertly and skillfully, to the satisfaction of the Contracting Authority and by the dates required by the Contracting Authority, all of which subject to the provisions of this agreement.
- 4.5 It has at its disposal, at any time, all of the equipment and means required for the provision of the services under this agreement.
- 4.6 It shall cooperate with the Contracting Authority in all matters concerning the fulfillment of its obligations under the provisions of this agreement, and it shall place itself at the disposal of the Contracting Authority regularly and with a high level of availability, according to the needs of the Contracting Authority, as required by the Contracting Authority or any person on its behalf.
- 4.7 It shall notify the Contracting Authority, in writing, immediately orally and by fax and E-mail, and within 48 hours at the latest, of any change in its legal status and/or of any event in which it is incapable of providing the services and/or of any likely possibility of its not being able to meet its obligations under this agreement, in whole or in part, for any reason whatsoever, and/or any other matter which may affect the provision of the services.
- 4.8 It undertakes to report the progress of its work and every stage of the provision of the services to the Contracting Authority. Further, it shall not progress to any of the stages of the provision of the services without the Contracting Authority's prior written approval.
- 4.9 The Check in Israel The consultants undertakes to come to Israel, at the request of the EA, once a year, for a period not exceeding five business days (Monday till Thursday), for the purpose of presenting the complete services, included the report or any section of it to the professional staff at the EA, the member of the EA board or other bodies in the State of Israel.
- 4.10 For the avoidance of doubt, no further consideration will be paid adviser, beyond the provisions of section 4.15 below. This service include in the consideration.
- 4.11 The Schedule

The consultants will provide the services according to the EA timetable. The EA will determine the timetable for submission of each report, as specified in Appendix B, and in urgent cases, it will be not less than one month for each report. Usually, each report, as specified in Appendix B will be given in schedule of two month.

- 4.12 The work shall be carried out by the consultants, with the accompaniment and guidance of the EA Director of Electricity and Regulation Division and/or a person appointed by him (hereinafter: "DERD").
- 4.13 The work plan, the contents of the work, the distribution of the work and the allocation of inputs, required from the consultants, as well as the timetables, shall be approved by the DERD or by a person acting on his behalf, and shall be coordinated with the consultants.
- 4.14 The work shall be carried out at the offices of the consultants. However, the Contracting Authority may invite the consultants to Israel to present specific works to the contracting authority staff as mentioned at the section 4.9 above.

5. **Confidentiality**

- 5.1 The bidder and the Consultants hereby declares that it is aware that the Information received during the provision of the services by it, by any person acting on its behalf, is of special sensitivity, and it shall not be disclosed to any person who is not a Member of the professional Team providing the services on its behalf, or one the representatives of the Contracting Authority. The bidder and the Consultants declare that they are aware that the disclosure of such Information may cause substantial damage to the Contracting Authority, on various levels.
- 5.2 The bidder and the Consultants declare that they are aware that any Information received by them during the provision of the services is considered Professional Secrets.
- 5.3 The bidder and the Consultants undertake to keep the Information and/or the Professional Secrets confidential, and not to use them in any way. For the avoidance of doubt, and without derogating from the generality of the above, the bidder and the Consultants undertake not to publish, disclose, inform of, deliver or bring to the knowledge of any person the Information and/or the Professional Secrets.
- 5.4 The bidder and the Consultants shall not, during the Period of the Contract or thereafter, disclose to any person to whom it is related of with whom it is associated for the purpose of the provision of the services, any Information whatsoever concerning the services, unless it received the Contracting Authority's prior written approval for such disclosure, and on conditions stipulated by it.
- 5.5 The bidder and the Consultants undertake to sign an undertaking to maintain confidentiality, in the format attached to this agreement. This signature is a condition for the provision of the services through the consultants. The said undertaking to maintain confidentiality is attached and marked Appendix C to this agreement, and constitutes an inseparable part thereof.

- 5.6 The bidder and the Consultants declare that they are aware that failure to fulfill its obligations under this sections is an offense under chapter G (National Security, Foreign Relations and Official Secrets) of the Penal Law, 5737-1977.
- 5.7 The provisions of this section shall not apply to Information:
- 5.7.1 Which is independently known to the bidder or the consultants, otherwise than through any illegal act committed by it;
- 5.7.2 Has been exposed pursuant to the lawful requirement of an authority under law or the disclosure of which is mandatory under law.

6 **Conflicts of Interests**

- 6.1 The bidder and the Consultants declare and undertake that to the best of its knowledge it does not, as of the date of the contract, and shall not, during the Period of the Contract between the parties, have any conflict of interests of any kind, and/or business or other relationships in connection with the provision of the services.
- 6.2 Without derogating from the generality of the above, the bidder and the Consultants shall inform the Contracting Authority or a representative on its behalf, in advance, of any intent on its part or on the part of any of its Employees, to contract with any person as stipulated in this section, and to act in accordance with its instructions in respect to this matter. The Contracting Authority may refrain from granting approval for such contract to the bidder, or give other instruction to ensure the absence of conflicts of interests, and the bidder shall act in accordance with such instructions.
- 6.3 The bidder and the Consultants agree to sign an undertaking to ensure the absence of conflicts of interests that attached and marked **Appendix D** to this agreement and constitutes an inseparable part thereof.
- 6.4 The bidder and the Consultants shall immediately inform the Contracting Authority or a representative on its behalf of any circumstance or situation due to which it, and/or any person acting on its behalf, may be in a situation of conflict of interests, immediately upon its becoming aware of such circumstance or situation.
- 6.5 If, in the opinion of the Contracting Authority, any person on behalf of the bidder is in a situation involving or that may involve a conflict of interests on its part, the Contracting Authority may instruct that the Consultants work be ceased and the contact with it be terminated, solely for this reason.

7. **Proprietorship**

- 7.1 The Contracting Authority is the sole proprietor of the Information, and it has all the rights in the information and the elements of the provision of Services, including intellectual property rights
- 7.2 At the conclusion of the provision of the services, the bidder and the Consultants shall deliver to the Contracting Authority all of the Information in its possession.

8. **Indemnification**

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- 8.1 The bidder undertake to pay any amount that the Contracting Authority shall be obliged to pay in connection with the provision of the services.
- 8.2 The bidder undertakes to indemnify the Contracting Authority for any amount paid by the Contracting Authority or that it may pay, deriving from acts and/or omissions of the bidder, relating to this agreement, including interest and other expenses involved in the foregoing.
- 8.3 The bidder undertakes to indemnify the Contracting Authority for any amount that the Contracting Authority shall be required to pay if it is determined, notwithstanding the provisions of this agreement that an employer-employee relationship exists between the Contracting Authority and any of the bidders Employees.

9. **Offsetting and Lien**

The Contracting Authority may offset and/or retain payments due to the bidders or any part thereof, against amounts due to the Contracting Authority from the bidder or in any event of damage caused to the Contracting Authority by the bidder and/or any of its Employees.

10. **Remedies**

- 10.1 If the bidder failed to meet any of its obligations under this agreement, for any reason, the Contracting Authority may, at its sole and absolute discretion, immediately terminate (after a 30 days' notice in accordance to section 3.3 of the agreement) the provision of the services and perform the services itself and/or through others, all of which at the expense of the bidder and without derogating from the right of the Contracting Authority to compensation and indemnification, and other rights available to the Contracting Authority under this agreement and under law.
- 10.2 In addition, the Contracting Authority shall be entitled to remedies in any event in which the bidder fails to meet its obligations under this agreement or under the Request document, for any reason whatsoever, and it shall be entitled to any relief and legal remedy under the Contract Law (Remedies for Breach of Contract), 5731-1970, and under law.
- 10.3 Without derogating from the generality of the above, it is agreed between the parties that the right to remedies includes:
- 10.3.1 The right to deduct from the consideration due to the bidder an amount equivalent to the damage caused as a consequence of the services.
- 10.3.2 The right of the Contracting Authority to cancel this agreement, to immediately terminate the provision of the services by the bidder and to perform the services itself and/or through others.
- 10.3.3 The remedies granted to the Contracting Authority are aggregate remedies, and nothing in this agreement shall deny the right of the Contracting Authority to offset, compensation, indemnification or any other additional relief by virtue of law and agreement.



11. **Liability**

- 11.1 The bidder shall be liable for any damage and/or loss caused due to the provision of the services to the Contracting Authority and/or property and/or any third party, including damage and loss caused by the bidder or authorized by it, all of which due to an act or omission of the bidder or any person acting on its behalf, involving any one of the following:
- 11.1.1 Breach of a statutory duty, specifically concerning confidentiality obligations, or a violation of instructions given to the bidder or any person on its behalf and/or any of its Employees by the Contracting Authority or any of its employees;
 - 11.1.2 An act performed otherwise than in good faith and in the accepted manner;
 - 11.1.3 An act performed negligently.
- 11.2 The bidder shall be liable for any tort claim made on behalf of Team Members, its Employees and/or any person acting on their behalf.
- 11.3 The Contracting Authority, its employees and any person acting on its behalf shall not be liable for any payment, expense, loss or damage of any kind caused to the bidder and/or its Team Members and/or Employees and/or any person acting on its behalf.

12. **Observance of the Provisions of Law**



- 12.1 The bidder undertakes to observe the provisions of any law applying in connection with performance of the agreement and the provision of the services pursuant thereto.
- 12.2 The bidder declares that the exclusive and absolute liability for any claim and/or demand in respect to any lack of observance of laws on its part applies solely to it, and it hereby releases the Contracting Authority from any such claim and/or demand, whether the violation of a provision of law was committed by it or by and Employee or other person acting on its behalf.





13. **Prohibition on Assignment and/or Transfer of the Provision of the Services to another Person**

The bidder may not assign this agreement, in whole or in part, or transfer or assign any right or obligation deriving from this agreement to another person, unless it has received the Contracting Authority' prior written consent for the foregoing. When the Contracting Authority's consent has been given as aforesaid, nothing in such consent shall release the bidder from any obligation, liability or duty under law and agreement.

14. **Waiver**

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No waiver, indulgence, abstention from an act or extension of the Contracting Authority shall be deemed as a waiver by the Contracting Authority under this agreement or serve to prevent any claim on its part, unless such waiver was made explicitly and in writing.

15. Consideration

- 15.1 The bidder shall be entitled to receive from the Contracting Authority, in accordance with the consideration specified in the bidder's bid, which shall be the full, final and established consideration due to the bidder.
- 15.2 It should be clarified that the total Consideration shall not exceed 10,000 \$ (Excluding VAT) for one report.
(Heretofore and hereinafter: "the Consideration").

EA payments shall be made after completion of each report. It should be clarified that with the exception of the payment of the Consideration, the bidder shall not be entitled to any additional payment or other benefit for the provision of the services, including expenses such as telephone charges, mail, photocopies, printing, fax, board and lodging, flight expenses, travel expenses etc.

- 15.3 No Consideration shall be paid to the bidder unless the services were actually provided, to the full satisfaction of the Contracting Authority.
- 15.4 The bidder shall not be entitled to any Consideration for services provided not by him.
- 15.5 The Consideration shall be paid to the bidder on the "government payment dates" no late than 45 days from the receipt of a lawful tax invoice from the bidder, subject to the confirmation of the representative of the Contracting Authority that the services have been provided to the full satisfaction of the representative of the Contracting Authority
- 15.6 In order to avoid delays in the approval of the invoice, and in consequence thereof, in the payment, the bidder shall ensure that each invoice submitted to the Contracting Authority shall be printed and shall include all of the required details and data as shall be agreed with the representative of the Contracting Authority.
- 15.7 The bidder shall have no demands or claims against the Contracting Authority due to delays in the payment deriving from its omissions, such as: lack of details in the invoice, incorrect details, a deficiency in the documents, the late submission of accounts, invoices and documents, etc.
- 15.8 The stipulations in regard to the payment of the consideration as set out above are subject to the directives of the Accountant General in the Ministry of Finance, as published from time to time.

16. Miscellaneous

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- 16.1 This agreement nullifies and cancels previous contracts, agreements, relationships and negotiations that had existed between the Contracting Authority on the one hand and the bidder bidder or any of its Employees on the other hand.
- 16.2 The Contracting Authority undertakes to meet all of the requirements of the security officer of the office or offices at which any work shall be carried out, under the provision of the services.
- 16.3 Sections 3, 4, 5, 7, 8, 10, 11, 12, and 16 shall remain in effect after the end of the Period of the Contract.
- 16.4 No change in the terms of this agreement shall have any effect unless made with the agreement of the parties and in writing.
- 16.5 The exclusive jurisdiction in all matters concerning this agreement is accorded to the court of jurisdiction in Jerusalem.
- 16.6 The addresses of the parties are as specified in the preamble to this agreement.
- 16.7 Any notice sent by one party to the other shall be deemed received within 72 hours from the date of posting by mail.
- 16.8 The representatives of the government signing this contract hereby declare that the expenses and authorizations to enter into binding commitments entailed in the performance of this contract will be budgeted for in the Annual Budget Law for the budget year.

AND IN WITNESS WHEREOF THE PARTIES HAVE SIGNED

The Contracting Authority

The bidder

consultant 1

counsltant 2

Appendix A - Bid / Price Offer

An integral part of tender/agreement No 8/2022

Attached our bid detailed in accordance with the provisions of the tender.

- A. Fixed Price Quote for one final full professional report, as required in the tender documents.

_____ **\$ for the final full report including V.A.T**

The bid shall not exceed \$ 10,000.

Bid exceeding this amount will be disqualified outright.

- B. It should be clarified that scoring bid is 20%, as specified in Section 8, At the Fourth Stage, of the tender document.
- C. I am aware that the bid will not be indexed to any price index, except as provided in the contract.
- D. I am aware that the bid is complete to its full and I will not get any compensation beyond that specified in my proposal, including expenses of all kinds such as economy, (food, drinks and accommodation), fax, email, and flight as specified in section 11 of the tender and stated in detail in the agreement constitutes in Appendix tender.



Bidder's Name: _____






Bidder's authorized signature: _____

Date:

Bidder's authorized signature + Stamp

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Appendix B to the Agreement
The service/ scope of work



1. The Consultants will be required to draft up to 10 professional reports regarding issues that will be determined by the Director of Electricity and Regulation Division and/or a person appointed by him (hereinafter: "DERD"). The subjects on which the reports will be required will be related to the following:
 - A. Demand Management.
 - B. Interface for commercial management of production facilities in the distribution network.
 - C. Uniting different regulations into one market model.
 - D. Market monitoring.
 - E. Regularization of the entrance of storage facilities to the energy market.
 - F. The algorithm used for calculating the System Marginal Price and the dispatch program.
 - G. The need and the Regularization of ancillary services market.
 - H. Transparency of data in the energy market.






(Hereinafter: "**The Report**" or "**The professional Report**" or "services"),

The professional report, shall be submitted in a structure and a timetable defined by the DERD. The report shall be drafted based on the consultants professional experience, international Best Available Practices (BAP) and the regulation of the energy market in Israel. In addition it should rely on academic foundations as needed, including any required references.



2. The Consultants undertake to submit the draft work required for this task in a detailed report for the approval of the EA. The Consultants undertake to write each report according to the EA guidelines and undertakes to amend and update the report, as much as it takes, until the approval of the EA and to its complete satisfaction.
3. Each report shall only be deemed to have been duly completed after obtaining the Authority's approval, and compliance with Schedule.

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Appendix C to the Agreement

Undertaking to Maintain Confidentiality

Made and signed on ____ . 22__

By

I.D. No _____
Of _____ St.

WHEREAS the Public Utilities Authority ("The Contracting Authority") receives the services as defined herein;

WHEREAS I am employed in connection with the provision of the services;

WHEREAS I may be exposed to professional secrets which the State of Israel wishes to safeguard.

Therefore, I hereby undertake to the State of Israel as follows:



1. Definitions






In this undertaking, the following terms shall have the meaning appearing opposite them:

"The Services" or "Consultation Services" - The reports as specified in appendix B and clause 2 of the request for proposal under the stipulations of the Request published in tender No 8/2022 by the Contracting Authority.



"Information" - any information, know-how, knowledge, document, correspondence, plan, data, model, opinion, conclusion and any other such thing related to and/or concerning the provision of the services, whether written or oral and/or in any other form or manner of preserving knowledge electrically and/or electronically and/or optically and/or magnetically and/or otherwise, related to or concerning the provision of the services, which is not in the public domain.

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"Professional Secrets" - any Information which shall have come to the possession of the bidder or the Consultants or the Employee, in connection with the provision of the services, whether it was received during the provision of the services or thereafter, including, without derogating from the aforesaid: Information provided by the Contracting Authority and/or any other person and/or any person acting on its behalf.

2. **Maintaining Confidentiality**

I hereby undertake to keep the Information and/or Professional Secrets absolutely confidential and to use them solely for the purpose of the provision of services. For the avoidance of doubt, and without derogating from the generality of the above, I hereby undertake not to publish, deliver, inform, disclose or bring to the knowledge of any person the Information and/or the Professional Secrets. I hereby declare that I am aware that failure to fulfill its obligations constitutes an offense under chapter G (National Security, Foreign Relations and Official Secrets) of the Penal Law, 5737-1977.

And in witness whereof I have signed:

Appendix D to the Agreement

**Undertaking Concerning Absence of Conflicts of Interests
Made and signed on __ __. 22__**

By

I.D. No _____
Of _____ St.

WHEREAS the Public Utilities Authority ("The Contracting Authority") receives the services as defined herein;

WHEREAS I am employed in connection with the provision of the services;

WHEREAS I may be in a situation of conflict of interests in the provision of the services and thereafter;

Therefore, I hereby undertake to the State of Israel as follows:

1. Definitions



In this undertaking, the following terms shall have the meaning appearing opposite them:






"The Services" or

"Consultation Services" - consultation services, under the stipulations of the Request published by the Contracting Authority (tender No 8/2022).


1. I declare and undertake that I do not have and shall not have, during the period of the provision of the services, any conflict of interests, of any kind whatsoever, and/or business or other relationships in connection to the provision of the services.
2. Not to engage in and or contract with, during the Period of the Contract and for a period of 12 month after the termination of the validity of this agreement, directly or indirectly, whether through the Provider of the services and/or through others, including through a corporation controlled by the provider of the services, a business and/or work and/or any other relationship with the IEC and/or private ventures in the field of the Israeli electricity sector, and/or with other licensees and/or applicants for licenses and/or any "Other Interest" due to which the provider of the services may be in a situation of a conflict of interests, without receiving the prior written consent of the Chairperson of the Public Utilities Authority (EA) for

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the foregoing. "Other Interest" shall include my interest, the interest of a member of my family or of a body of which I or a member of my family is a member, manager or senior employee, or a body in which I or a member of my family hold any shares, rights to share in profits, right to appoint a director or voting rights, as well as the interest of a client who I or my employer/partner/employee who works with me or under my supervision represent/consult/ audit (hereinafter: "Other Interest").

3. The foregoing shall include a declaration that I am aware of no existing conflict of interests, or a conflict of interests that I may be in, between the fulfillment of my duties or work in which I am engaged under the provision of the services to the EA and any Other Interest or an interest of a member of my family or of a body of which I or a member of my family are members.
4. I hereby declare that I am aware that use of information not in accordance with this letter of undertaking, including its disclosure to another person, constitutes an offense under the Penal Law, 5737-1977, and under the Protection of Privacy Law, 5741, 1981.
5. This undertaking shall not be construed as creating a personal relationship of any kind whatsoever between the contracting authority and me.

And in witness whereof I have signed:
