WONDERFUL ON TAP





Regional Bioresources Treatment – can you help?

Wessex Water and Severn Trent Water require additional treatment capacity to process forecast growth in sewage sludge volumes. We are keen to identify parties who would be interested in working with us to deliver the best regional solution(s) for our customers and the environment.

Background

Wessex Water and Severn Trent Water both require additional bioresources treatment capacity to accommodate forecast growth, to fully optimise the value of sludge, and to deliver a high-quality final product. As part of our investment planning process, we are keen to explore any market opportunities to ensure we are delivering best value for our customers and the environment.

This Marketplace Challenge is intended as an initial enquiry to identify interested parties for further detailed discussion should potentially viable options be identified. To allow expressions of interest, a high-level summary of the capacity requirements and challenges faced is articulated below.

What are we looking for?

Collectively there is a need for a minimum of c. 10,000 t DS / year treatment capacity in the geographical vicinity of the Wessex Water / Severn Trent boundary (i.e., the M4/M5 corridors). Depending on the proposal, the capacity could be up to 25,000 t DS / year.

In addition to the need for additional treatment capacity, further challenges faced by the Bioresources sector are;

Recycling and disposal of biosolids

We both have an ambition to diversify the disposal routes for sludge, so are keen to explore solutions that offer alternative approaches to recycling sludge to agricultural land. We understand Biosolids are a valuable resource, and we encourage proposals that maximise the benefits of this resource while minimising any environmental impact.

• Delivering on Net Zero

Both companies aim to have net zero operational emissions by 2030 and will require proposals to be focused on supporting this objective.

We are looking for expressions of interest from companies who can provide solutions to the challenges above to aid constructive conversations.

Further information on the Bioresources market and water company needs can be found at the following locations (provided for reference);

OFWAT Bioresources Market Information

Wessex Water Bioresources

Severn Trent Bioresources

How will we review submissions?

Because of the potentially wide-ranging nature of the submissions we could receive in this area, it's hard to implement a quantitative evaluation criteria that will be applicable across all submissions. Therefore, an objective qualitative approach will be used, with the following areas considered when reviewing submissions:

- Current and past experience in this area

The regulatory burden still sits with Wessex Water and Severn Trent even if a third party provides a service. Therefore, we require potential partners to have expertise in this area and currently provide related services (this needn't be in the UK but should be under a comparable level of regulation).

We are happy to consider proposals that include new technologies, but the solution provider must have a track record of successful delivery and align with our objectives.

Certainty of delivery

Whilst we are not necessarily looking for partners who have a pre-built solution, the submission must be deemed to be technically viable and deliverable by 2030 at the scale required. This will include themes such as likelihood of identifying suitable sites for location of any treatment/processing centres.

Resilience, flexibility, and longevity

Proposals that offer flexibility for additional loads in the future will be viewed more favourably, as will those that provide resilience against changing environmental regulations, particularly those affecting sludge disposal to land. As noted previously, we are keen to diversify our disposal route so encourage proposals that aid this.

- Regulatory compliance

Proposals must comply with relevant environmental and health and safety regulations. Potential partners should be able to demonstrate industry-leading H&S working practices and where applicable have an exemplary record of compliance with regards environmental regulation.

- Sustainability & wider benefits

Proposals that create value (for Severn Trent and Wessex Water, our customers and the environment) will be reviewed more favourably. This includes proposals that align with our Net Zero 2030 goals, and/or offer 'circular economy' solutions that maximise the resource potential of sludge.

How to get involved?

We will be hosting a webinar to give an overview of the challenge and allow for discussion on June 29th 2022. Please email <u>regionalbioresources@wessexwater.co.uk</u> to sign up for the webinar.

We are also very happy to answer any queries you may have in order to consider responding. Please send queries to regionalbioresources@wessexwater.co.uk by 1st July. We will respond to them all here (unless there are questions that wouldn't be appropriate to share answers to that may relate to specific IP of an organisation).

We then ask for interested parties to submit their proposals by 29th July (11.59pm) – please email them to <u>regionalbioresources@wessexwater.co.uk</u>

While hosted by Wessex Water, the above is a joint email address that will notify both Wessex Water and Severn Trent Water of any submissions.

Submissions should include, where available:

- Summary of the solution proposed
 - High-level overview of capabilities
 - o Benefits offered
 - o Requirements for use
- Case studies of any UK/worldwide installations
- Your expertise in this area

We look forward to hearing from you!

We will review all the submissions and see if there are any we would like to discuss and explore further, and feed back to companies accordingly. This will include whether we wish to continue conversations, or if not, feedback on the reasons for not taking the proposal any further.

We will aim to come back to all parties with initial feedback within 2 months, but if these timescales change due to the number of submissions received, we will let parties know within 2 weeks of the submission deadline.

Important points

Taking part in this Marketplace challenge does not guarantee a contract. This is the first step in what will be a process that we cannot fully scope at this point as we are unsure of the market interest.

The intention is not for market participants to invest significant time and resource into these proposals – it is aiming to be a high-level review on both sides to avoid significant abortive work and has been designed with this in mind.

Submissions are also high level to avoid significant intellectual property being shared at this stage.

A tender may be required to progress proposals of interest further, and Wessex Water and Severn Trent Water reserve the right to stop the project at any time.

Please note that all information will be shared between both Wessex Water and Severn Trent for this challenge.

Thank you very much and we look forward to hearing from you!



