

**CLARIFICATIONS 1**

***Provision of Electricity to the OSCE Secretariat***

No.	Reference in Tender documents		Comments/Question from bidder	Response from OSCE
1	<p><u>ITB Cover Letter</u></p> <p>Point 15</p> <p>Proposals and all price offers shall remain valid and open for acceptance for at least one hundred and twenty calendar days (120 days) from the date the tender closes.</p>	<p><u>ANNEX F - Price Schedule</u></p> <p>4.2. Price validity should be 0-3 days, due to the high market volatility.</p>	<p>QUOTE From our understanding a validity of 0-3 days are adequate to the electricity market. Therefore we refer for price validity to point 4.2. The general proposal/contract from can be assured for 120 days. Please kindly confirm the correct understanding. UNQUOTE</p>	<p><b>Specific response:</b></p> <p>Indeed, in the situation you describe, the proposal shall be valid for 120 days and the electricity price should have indeed a few days validity. However, the OSCE reserves the right to ask any financial clarifications during its evaluation of the proposals received.</p> <p><b>General Response:</b></p> <p>The OSCE is looking for budget certainty and has a small tolerance to risk; therefore, a guaranteed price contract is preferable, including price adjustments.</p> <p>However, <b>Electricity providers are encouraged to offer additionally index price products or hybrid products including elements of both fixed and index contracts, based on the OSCE Electricity Profile and the market trends.</b></p> <p>The Annex F – Price Schedule includes a table that can be used to prepare a Financial Proposal.</p> <p><b>Your company can present a price schedule according to your parameters, taking the above into consideration.</b></p> <p><b>Your Financial Proposal will be reviewed to determine whether it demonstrates the best value for money (least cost offer) for the OSCE.</b></p>

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2	<p><u>Annex F – Price Schedule / Point 5:</u></p> <table border="1" data-bbox="143 552 734 724"> <tr> <td data-bbox="143 552 206 724">5.)</td> <td data-bbox="206 552 394 724"><b>Price adjustment,</b> as applicable</td> <td data-bbox="394 552 734 724">Please insert adjustment parameters, as applicable.</td> </tr> </table>	5.)	<b>Price adjustment,</b> as applicable	Please insert adjustment parameters, as applicable.	<p>QUOTE Please concrete the detailed meaning UNQUOTE</p>	<p>The OSCE wants to know if any price adjustments will be calculated into the electricity price offered. What is the method or approach for your company in adjusting the price, can you indicate an average or % adjustment to be expected and if possible to mention the frequency of price adjustments to be expected.</p> <p>If this pricing schedule varies from your usual offering/template to customers, <b>the OSCE offers your company the flexibility to present a price schedule according to your own parameters, which should be disclosed as part of your financial proposal. Your Financial Proposal will then be reviewed to determine whether it demonstrates, or not, the best value for money (least cost offer) for the OSCE.</b></p> <p>The OSCE reserves the right to ask any financial clarifications during its evaluation of the proposals received.</p>
5.)	<b>Price adjustment,</b> as applicable	Please insert adjustment parameters, as applicable.				