

APPENDIX A

EVALUATION OF OFFERS

Contract on subsidy for negative emissions carbon capture, transport and storage

1. THE AWARD CRITERION

Capitalised terms used in this Appendix shall have the meaning as ascribed to them in Appendix 2, Definitions.

Award of one or more contracts will take place on the basis of the award criterion best price-quality ratio.

In this connection, the DEA will apply the following sub-criteria:

1. Subsidy 60 %

Evaluated on basis of the Offered Rate.

Each offer will be awarded points based on the Offered Rate on a scale from 0 to 10 points as further described in paragraph 2.2.

2. Project maturity 20 %

Evaluated on the basis of the tenderer's Project Description and Project Schedule, see the Tender specifications, paragraph 9.4, where the contents of the Project Description and Project Schedule are described.

The evaluation will be an overall assessment of the maturity of the tenderer's project based on the Project Description and Project Schedule and the extent to which these reflect the tenderer's ability to successfully establish and operate the Value Chain and to ensure successful performance of the Contract, especially reaching the Commercial Operation Date on time and securing capture and permanent, geological storage of the Contracted Quantities in each year of the Contract. In the evaluation, emphasis will be put on the following:

- The extent to which the offer reflects a well-thought-out Value Chain which is mature and feasible taking into account the different elements of the Value Chain and their integrations and dependencies.
- The extent to which the offer convincingly demonstrates a coherent, robust and well-thought-out planning of the tenderer's project towards timely reaching the Commercial Operation Date.
- The extent to which the offer convincingly demonstrates a good understanding of the risks associated with the project and well thought out and resilient risk mitigation measures.

Each offer will be awarded points based on the Offered Rate on a scale from 0 to 10 points as further described in paragraph 2.3.

3. 2025-Quantity 20 %

Evaluated on the basis of the offered 2025-Quantity.

Each offer will be awarded points with respect to the 2025-Quantity on a scale from 0 to 10 points as further described in paragraph 2.4.

The percentage rates indicate the weighting of each sub-criterion in the offer evaluation.

2. EVALUATION METHOD

2.1 Introduction

For the evaluation of which offers have the best price-quality ratio, the DEA uses a scoring model with a financial framework.

The scoring model is based on a comparison of the total weighted number of points achieved by the offers under the sub-criteria "Subsidy", "Project maturity" and "2025-Quantity".

The offer(s) having achieved the highest number of points will be found to have offered the best price-quality ratio.

The details of the scoring model are described in the following paragraphs.

A contract will be awarded to the tenderer(s) that submit an offer, which is compliant with the requirements set out in the tender documents, and with highest scores, and that can be kept within the available funds, see paragraph 2.5 and 2.6.

2.2 Points for the sub-criterion "Subsidy"

With regard to the financial criterion "Subsidy" each offer will be awarded points in accordance with a financial framework. The evaluation will be based on the Offered Rate.

The financial framework is defined as the lowest Offered Rate + 75 %.

The compliant offer with the lowest Offered Rate is awarded the highest number of points on the scale (maximum points), i.e. 10 points.

Offers with an Offered Rate that exactly matches the financial framework (lowest Offered Rate + 75 %) or exceeds this framework are awarded the lowest number of points on the scale (minimum points), i.e. 0 points.

The number of points awarded to each offer will not be rounded.

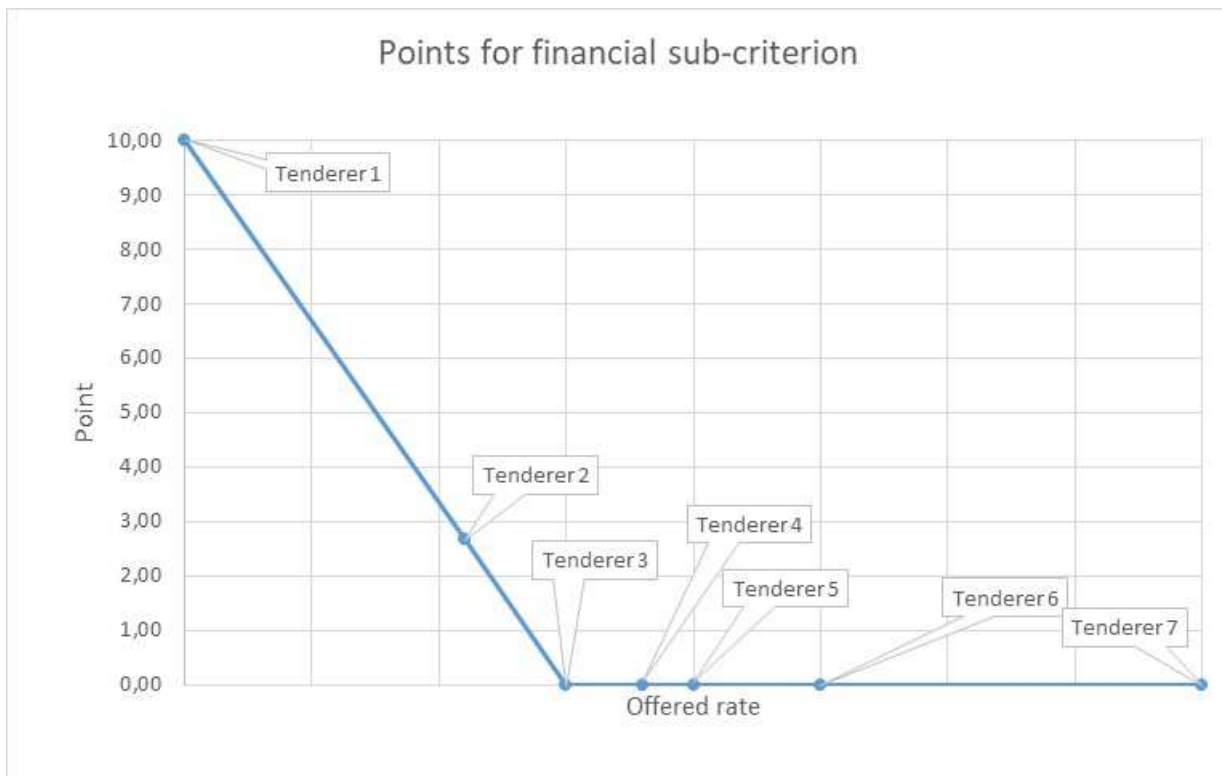
Offers with an Offered Rate that lies within the financial framework are awarded points by linear interpolation:

Points by linear interpolation =

$$\text{Maximum points} - \left(\frac{(\text{maximum points} - \text{minimum points})}{\text{gradient}} \right) * \frac{(\text{Offered Rate of offer} - \text{lowest Offered Rate})}{\text{lowest Offered Rate}}$$

In the formula, *Offered Rate of offer* constitutes the Offered Rate of the offer in question, which, using the formula, is awarded points by linear interpolation; *lowest Offered Rate* is the Offered Rate of the compliant offer offering the lowest Offered Rate; and the gradient is the addition to the lowest Offered Rate on which the financial framework is based.

The graph below illustrates the DEA's award of points in accordance with the financial framework scoring model.



2.2.1 Correction model extension of financial framework

The financial framework is subject to two possible corrections: correction A and correction B.

Correction A is made to ensure that the financial framework includes more than half of the compliant offers. Correction B is made to ensure that the total subsidy sum of the compliant offers (calculated as the sum of the Offered Rate x Annual Quantity of the individual offers) that lie within the financial framework renders it possible to award the total available annual subsidy of the NECCS fund (DKK 319,900,000¹).

The correction models are specified in paragraphs 2.2.1.1 and 2.2.1.2.

Where applicable, correction A is applied first. Correction B will, if necessary, be applied subsequent.

Where correction A is not applicable and therefore not applied, correction B will be applied if necessary.

¹ 2023-prices, excluding VAT

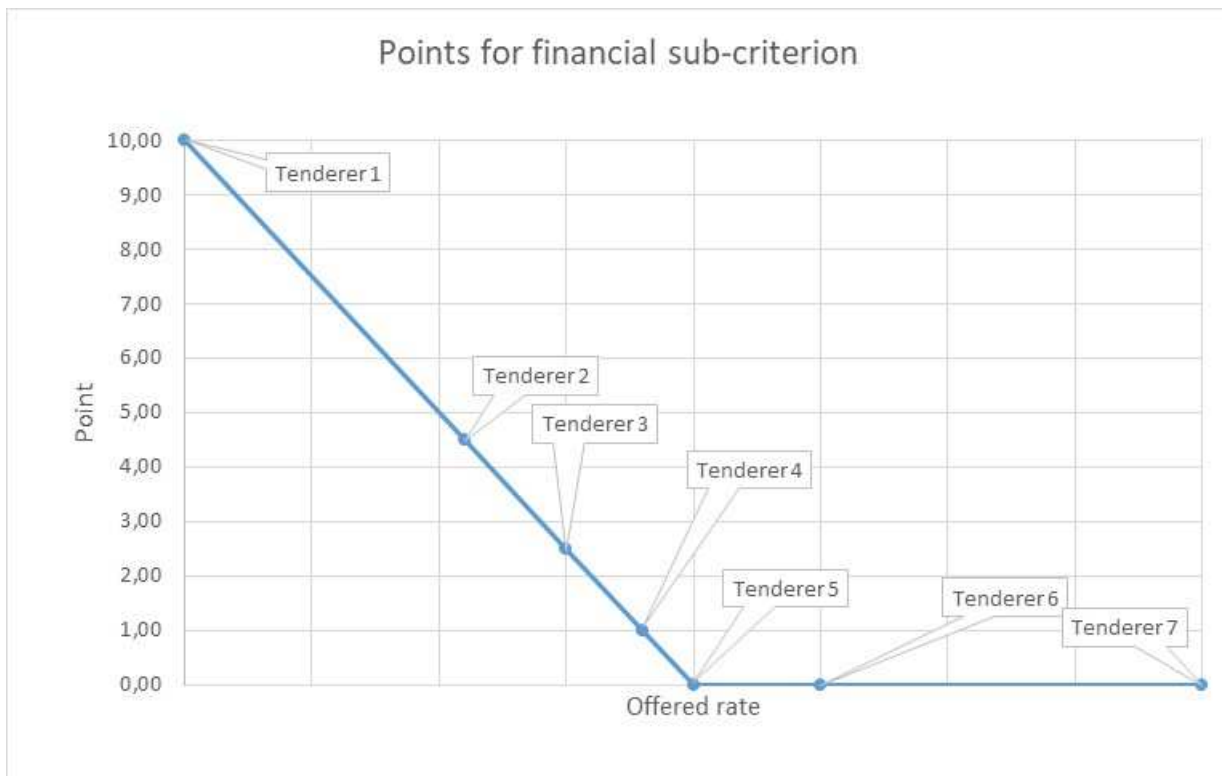
2.2.1.1 Correction A

If half or more of the compliant offers lie outside the financial framework of Offered Rate + 75 % (as illustrated in the graph in paragraph 2.2.), the financial framework will be increased by 25 percentage points (i.e. lowest Offered Rate + 100 %). If less than half of the compliant offers lie within the new, corrected financial framework, the financial framework will be increased by additional 25 percentage points (i.e. lowest Offered Rate + 125 %). The gradient of the financial framework will be further increased by intervals of 25 percentage points until half or more of the compliant Offers lie within the financial framework.

If the total subsidy sum of the compliant offers (calculated as the sum of the Offered Rate x Annual Quantity of the individual offers) is higher than the total available annual subsidy of the NECCS Fund (DKK 319,900,000) after correction A is made, then new points will be awarded in accordance with the new, corrected financial framework (i.e. correction B will not be applied).

If the total subsidy sum of the compliant offers (calculated as the sum of the Offered Rate x Annual Quantity of the individual offers) is less than or equal to the total available annual subsidy of the NECCS Fund (DKK 319,900,000) after correction A is made, then correction B will be applied, see paragraph 2.2.1.2.

The graph below illustrates the DEA's award of points where half of the compliant offers lie within the new, corrected financial framework after correction A is made.

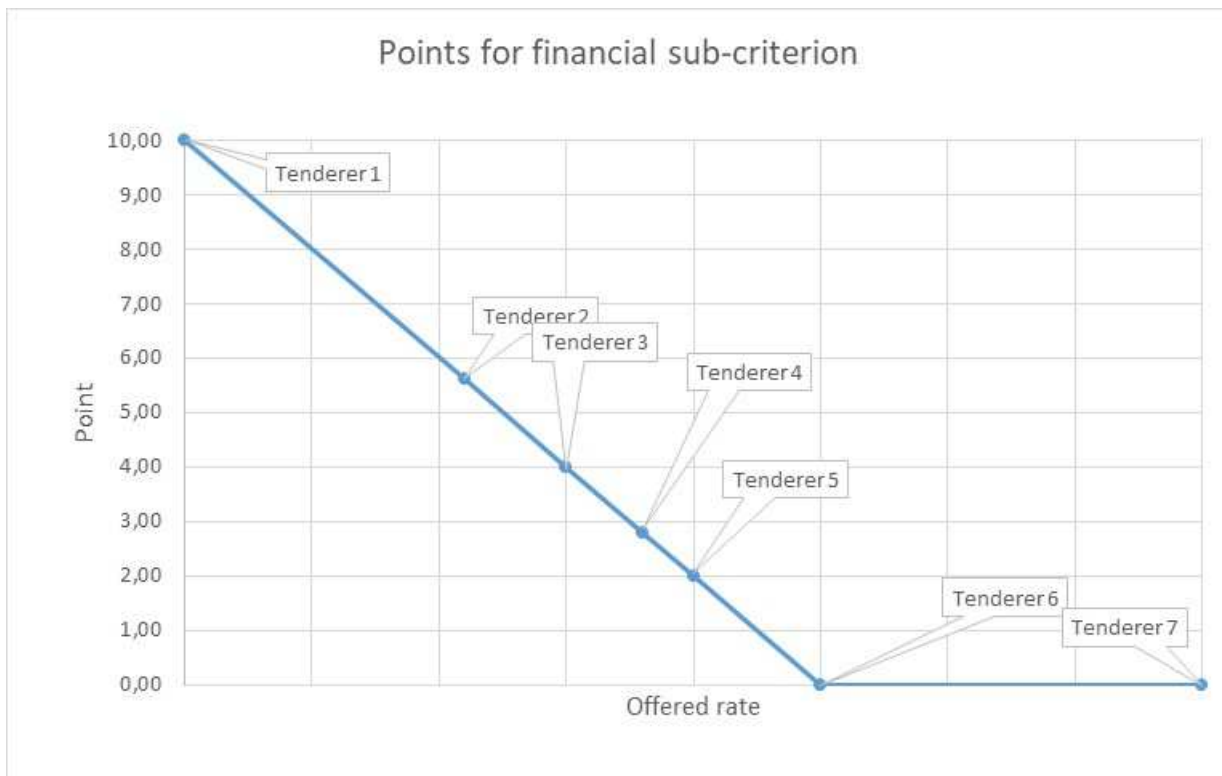


2.2.1.2 Correction B

If the total subsidy sum of the compliant offers (calculated as the sum of the Offered Rate x Annual Quantity of the individual offers) within the financial framework is less than or equal to the total available annual subsidy of the NECCS fund (DKK 319,900,000), then the financial framework will be increased by intervals of 25 percentage points until the total subsidy sum of the compliant offers is higher than the total available subsidy of the NECCS fund. Then points will be awarded in accordance with the new, corrected financial framework.

Correction B will also be applied if more than half of the compliant offers lie within the financial framework of lowest Offered Rate + 75 % (i.e. where correction A is not applied), but the total subsidy sum of the compliant offers (calculated as the sum of the Offered Rate x Annual Quantity of the individual offers) is less than or equal to the total available annual subsidy of the NECCS fund (DKK 319,900,000).

The graph below illustrates the DEA's award of points where additional, compliant offers are now included in the new, corrected financial framework after correction B is made.



2.3 Points for the sub-criterion “Project maturity”

With regard to the qualitative sub-criterion “Project maturity”, each offer will be awarded points in accordance with a qualitative evaluation.

The qualitative evaluation will be performed as an overall assessment of the sub-criterion “Project maturity” in accordance with the evaluation basis of the sub-criterion, see paragraph 1.

The qualitative evaluation will be based on the following descriptive scale:

- Excellent (10 points)
- Extremely satisfactory (9 points)
- Very satisfactory (8 points)
- Above satisfactory (7 points)
- A little above satisfactory (6 points)
- Satisfactory (5 point)
- A little below satisfactory (4 points)
- Below satisfactory (3 points)
- Less than satisfactory (2 points)

- Not satisfactory (1 point)
- Irrelevant (0 points)

With the qualitative evaluation, the DEA will award the number of points that corresponds to the evaluation on the descriptive scale. Only full points will be awarded, i.e. no decimals.

Each offer will be awarded one overall point for the sub-criterion “Project maturity”.

2.4 Points for the sub-criterion “2025-Quantity”

Points (0 to 10 points) are awarded to the offers based on the percentage share of the offered 2025-Quantity relative to the offered Annual Quantity.

An offer with a 2025-Quantity that is equal to 100 % of the Annual Quantity of that offer is awarded the highest number of points on the scale (maximum points), i.e. 10 points.

An offer with no 2025-Quantity (i.e. 0 % of the Annual Quantity of that offer) is awarded the lowest number of points on the scale (minimum points), i.e. 0 points.

An offer with a 2025-Quantity that is less than 100 %, but higher than 0 % of the Annual Quantity of that offer is awarded points by linear interpolation between 10 points and 0 points (i.e. if the 2025-Quantity Quantity is equal to 50 % of the Annual Quantity 5 points is awarded).

The number of points awarded to each offer will not be rounded.

2.5 Identification of the offer(s) with the best price-quality ratio

Finally, the overall number of points for each offer will be calculated.

The total number of points represents the sum of the weighted number of points for each sub-criterion and is calculated using the following formula:

$$\text{Total number of points} = \left(\frac{\text{Points for subcriterion 1 x}}{\text{Weighting of subcriterion 1}} \right) + \left(\frac{\text{Points for subcriterion 2x}}{\text{Weighting of subcriterion 2}} \right) + \left(\frac{\text{Points for subcriterion 3 x}}{\text{Weighting of subcriterion 3}} \right)$$

The total number of points will not be rounded.

The offer having achieved the highest number of points in total will be found to have offered the best price-quality ratio. The offer having achieved the second-highest number of points in total will be found to have offered the second-best price-quality-ratio and so forth.

See the calculation example below.

Example:

Sub-criteria	TENDERER 1	TENDERER 2	TENDERER 3
Subsidy (60 %)	10.00 points	9.00 points	2.00 points
Project maturity (20 %)	5 points	8 points	10 points
2025-Quantity (20 %)	4.00 points	9.00 points	10.00 points

Calculation of total number of points

$$\text{TENDERER 1} = (10.00 \text{ points} \times 60 \%) + (5 \text{ points} \times 20 \%) + (4.00 \text{ points} \times 20 \%) = 7.80 \text{ points}$$

$$\text{TENDERER 2} = (9.00 \text{ points} \times 60 \%) + (8 \text{ points} \times 20 \%) + (9.00 \text{ points} \times 20 \%) = 8.80 \text{ point}$$

$$\text{TENDERER 3} = (2.00 \text{ point} \times 60 \%) + (10 \text{ points} \times 20 \%) + (10.00 \text{ points} \times 20 \%) = 5.20 \text{ point}$$

Given that TENDERER 2 has achieved the highest number of points, TENDERER 2 is considered to have offered the best price-quality ratio.

2.6 Award of contract(s)

The DEA will award one or more Contract(s) to the tenderer(s) with the highest number of points, see paragraph 2.5, that can be accommodated within the available subsidy of the NECCS fund.

Award of contract(s) will be made to the tenderer(s) with the highest, second highest etc. number of points to the extent that:

- the total subsidy sum of the compliant offers for 2026-2032 (calculated as the sum of the Offered Rate x Annual Quantity of the individual offers) is less than or equal to the total available annual subsidy of the NECCS fund, which is DKK 319,900,000 in 2026-2032.
- the total subsidy sum of the compliant offers for 2025 (calculated as the sum of the Offered Rate x the 2025-Quantity of the individual offers) is less or equal to the total available annual subsidy of the NECCS fund for 2025, which is DKK 319,900,000.

If several offers, each of which can be accommodated within the available funds, receive the same score, the offers in question will be ranked through drawing lots to the extent that it is not possible to award all of the offers a contract within the available funds.

The Contract(s) that can be accommodated within the available funds will be awarded to the relevant tenderer(s) encompassing the “Annual Quantity” specified by the tenderer in Appendix 6, Offered Rate and Contracted Quantity – regardless of whether the tenderer has also specified a “Minimum Annual Quantity” in Appendix 6, Offered Rate and Contracted Quantity.

The “Minimum Annual Quantity” is only considered for a possible award of a Contract to a tenderer with a marginal offer. A marginal offer is a compliant offer with the highest number of points after the offers that can be fully accommodated within the available annual funds (“the next offer in line”), but with an annual subsidy (i.e. Offered Rate x Annual Quantity) that exceeds the remaining available annual funds. To the extent, that a Contract encompassing a reduced annual quantity (i.e. a quantity less than the specified Annual Quantity, but equal to or above the Minimum Annual Quantity specified in the offer), can be accommodated within the remaining available funds, the DEA will award such a Contract, encompassing the reduced annual quantity, to the tenderer.

Note the tenderer of the marginal offer will not be given the opportunity to accept or reject the award of a contract as this will be based on the tenderer’s Appendix 6, Offered Rate and Contracted Quantity.

If an award of a contract cannot be made to the tenderer with a marginal offer based on the tenderer’s Appendix 6, Offered Rate and Contracted Quantity, the DEA will not award further contract(s).