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Dear Industry Colleagues,

Tender for Mersey region reactive power

Following the publication of the Request for Information for the provision of reactive power services published on the website on the 3rd October 2018 and the update published on the 4th December 2018, please see below information regarding the next steps for the tender for Mersey area.

With the invitation to tender there are several other documents to go alongside the tender:

- Tender submission spreadsheet
- Contract terms for the 2019/2020 call of contracts
- Contract terms for the 2020 firm service

Minimum technical requirements

All the minimum technical requirements can be found in the RFI, if you have any questions please contact Emily Campion.

Service Term

A provider can submit a tender for part of the service term with a minimum of 1 month service period which must start on the 1st of the month, for example for 2019 call off contract a provider could submit a tender to cover 1st April 2019 – 31st May 2019. Please note partial acceptance is not possible for this service.

New Providers

If a new build provider tenders and is awarded a tender, note as stated in the contract terms they must have signed a final MSA one month prior to service start date. For example, if a tender is awarded for delivery 1st May 2020 – 31st May 2020, the final MSA must be signed one month prior to delivery.

Contract Terms

The contract terms for both the call off contracts and firm contracts are published on the website. Please note when providers submit tenders this is on the basis that the contract terms can be delivered. The contract terms will not be changed post tender, please read the contract terms thoroughly before submitting a tender.

The call off contract includes 3 appendices depending on which fuel type tenders, this can be seen in Appendix 4 of the contract. A provider may only submit tender prices for one of the Contract Fee appendix, this must be specified in the tender proforma. For example, if a CCGT tenders in, prices can be submitted for either Gas Index or Other. A CCGT cannot submit tender prices for the coal index and likewise a coal cannot submit a tender for the gas index.

Call off contracts

2019

Service description:	Voltage Only
Service Type:	Option price without availability component

Term:	From: 1 st April 2019 To: 31 st March 2020
Extension:	N/A
Period:	23:00 – 07:00
Payment Rate:	On days when National Grid enacts the option, National Grid pay-out to unit based on the Contract Fee formulae specified in Appendix 4 of the contract.
Notice:	10:00 within day for 23:00 same night
Additional notes:	We require prices for the following options. Option 1 - where at the time of the instruction, PN < SEL in EFA block 6 and EFA block 3. Option 2 - where at the time of the instruction, PN >= SEL in EFA block 6 or where at the time of the instruction PN >= SEL in EFA block 3. Option 3 - where at the time of the instruction, PN >= SEL in EFA block 6 and EFA block 3.

2020

Service description:	Voltage Only
Service Type:	Option price without availability component
Term:	From: 1 st April 2020 To: 31 st March 2021
Extension:	N/A
Period:	23:00 – 07:00
Payment Rate:	On days when National Grid enacts the option, National Grid pay-out to unit based on the Contract Fee formulae specified in Appendix 4 of the contract.
Notice:	10:00 within day for 23:00 same night
Additional notes:	We require prices for the following options. Option 1 - where at the time of the instruction, PN < SEL in EFA block 6 and EFA block 3. Option 2 - where at the time of the instruction, PN >= SEL in EFA block 6 or where at the time of the instruction PN >= SEL in EFA block 3. Option 3 - where at the time of the instruction, PN >= SEL in EFA block 6 and EFA block 3.

Fixed price

2020

Service description:	Voltage Only
Service Type:	Firm service for duration of contract term
Term:	From: 1 st April 2020 (00:01) To: 31 st March 2021 (23:59)
Extension:	N/A

Period:	24/7
Payment Rate:	Fixed availability (£/SP)
Notice:	Must be available to respond to reactive instruction throughout the service term
Additional notes:	N/A

Tender Timeline

Please see below the timeline for the tender:

Tender Submission Deadline	Monday 11 th February 2019
Outcome of tender published	28 th February 2019
Contract signed deadline	22 nd March 2019

Should a service provider wish to submit service and price offers for the above requirement, these should be submitted to Emily Campion **and** the email address: commercial.operation@nationalgrid.com in accordance with the timescales above.

This process is not governed by National Grid standard contract terms, therefore the electronic submission of such offers are acceptable providing the above timescales are complied with.

Publication of Information

National Grid shall publish and / or announce details of the information submitted for the above service from any service provider, and the service provider is required to consent to the disclosure by National Grid of any such information. To this end, National Grid cannot accept an offer from any potential service provider unless they consent to the disclosure of such information.

Further Information

For further information and a more detailed explanation of the procurement process for the above or similar requirements, please contact Emily Campion.

Yours sincerely,

Emily Campion

Appendix. Reason Codes

The table below provides guidance as to the reasons that a tender has been rejected. Where appropriate, new reasons will be added following the tender.

No.	Reason Codes	Definition
1	Price not beneficial across tendered period	The price submitted was too high and did not provide any contract benefit against alternative actions.
2	Tender was not beneficial across duration of the tender period	The tender submitted was not considered beneficial when evaluated against the forecasted cost of alternative actions across the tender period.
3	Beneficial but the benefit is lower than that of other tenders	While the tender submitted was considered as beneficial, on this occasion there were tenders that provided a higher benefit.
4	Beneficial but requirement already satisfied	While the tender submitted was assessed as beneficial, the benefit was not determined as sufficient for us to contract above our procurement requirement.
5	Tender benefit was lower after effectiveness factor applied	While comparable tenders submitted were considered as beneficial, due to the impact of the effectiveness factor, this tender had a lower benefit and on this occasion, there were tenders that provided a higher benefit.
6	Tender was not assessed as Reactive Volume below minimum tender amount	The Tender did not include the minimal reactive range of 50MVAR or 25MVAR if only lead or lag
7	Tender was not assessed as was outside the contract area	The reactive power was outside the region outlined in the Request for Information Pack
8	Does not meet tender prerequisites and rules	The Tender does not meet any of the other (not location or volume) prerequisites and rules. Please refer to the 'Technical requirements' and 'How to participate' sections using the following link to determine the criteria necessary to participate.