

Black Start Competitive Procurement Event

FAQs

Executive summary

During the Request for Feedback period, we will publish the answers to any questions we are asked to ensure equal access to information. During the tender this will be replaced by a formal clarification submission process.

Questions and Answers

*Questions marked with 'W' were asked during the webinar held 8 Jan 2019.

*Questions marked with 'RFF' were asked as part of our Request for Feedback period between Dec 2018 and Jan 2019.

Ref	Question	Response
1	The technical requirements have changed, and auxiliary units now need to be capable of 72 hours 'continuous' supply. Does this rule out storage?	<p>This requirement is driven by the need to support longer term restoration along with the need to ensure a resilient system when at the initial stages of restoration.</p> <p>We won't rule out any solutions based on technology type. We would encourage providers to submit an EOI if they can propose a solution that meets the requirements. For example, if a provider has a method of maintaining charge on a battery, so that it could be used as an auxiliary unit at any point for up to 72 hours after an instruction, we would welcome an EOI submission.</p>
2	Will submissions that deviate from the technical requirements be allowed?	<p>We want to remove or minimise barriers to entry, and are proposing to consider EOI submissions where the provider can meet almost all of the technical requirements. Where this is the case, EOI submissions are not guaranteed to be accepted, and it will be at the discretion of ESO assess whether the provider would be able to contribute to a restoration.</p> <p>Where applicable, reduced capability will be scored appropriately in the technical assessment (and may be given a zero score for that section).</p>
3	We note that the block loading requirements have been lowered, can you provide the context for this?	<p>The block loading requirements have been revised to:</p> <ul style="list-style-type: none">- Reflect the current capability of DNOs to switch in smaller sections of network.- Reduce risk to plant- Reduce/remove barriers to entry

4	Is there a standard contract duration or is it up to the bidder to propose? If so what are the parameters?	The contract duration will be standard, though if a provider can commence the service earlier, we invite them to notify us during the tender, and if efficient to do so, they may be able to extend their contract forwards. We are currently considering 5 years for the contract durations.
5	How should the total cost be formed (is it £/MW).	The total cost is the £ per settlement period figure for all contract costs.
6	How is shutdown defined with respect to the 2 hour restart time? Is the time from a blackout or from the point a station can safely shutdown systems?	As per the Grid Code Definition, this is "... the ability to Start-Up from Shutdown and to energise a part of the System and be Synchronised to the System upon instruction from The Company, within two hours, without an external electrical power supply".
7	Is the funding cap across both F1 and F2 studies?	As per the current process, the provider is expected to fund the F1 study themselves.
8	What happens to the tender process if there are less bids than demand?	We will know at EOI stage how many tenderers to expect and will be able to assess then, however, we don't expect this to be the outcome
9	What information on tender responses will be published during the process?	This is to be confirmed. We won't disclose any information that could identify a BS provider, but will aim to publish information about awarded contracts, for example, technology types, total MWs, total cost etc.
10	How will the feedback on the commercial submissions work in practice? Will there be a chance for resubmission of a Best and Final Offer?	We will aim to share feedback on total costs, and may employ a third party to scrutinise designs and capital costs. We are currently proposing that there will be the opportunity to resubmit the commercial element after clarifications - all providers will be given the same opportunities.
11	Is it expected that all capital costs will be recovered through the commercial offer or can this be defined by the bidder?	We expect the capital costs to be open book, and to be recovered based on invoice evidence. Capital costs should not be recovered through the availability fee. If the provider does not wish to recover all of the capital costs (for example, will partially recover via another revenue stream), they should still state the full costs of all associated works in the commercial submission for review.
12	Can more explanation be provided on the requirement in the F1 Study outline document, for point 4, which is "Source data required for F2 network study modelling with neighbouring sites"?	Network studies may be required to support the capability assessment and/or to identify any restrictions around the BS Service. This is more likely to be required for certain technology types, HVDC systems for example.
13	We have already done a F1/F2 Scope/F2 study that you approved	If you wish to participate in the tender and have already completed one or more steps of the process, please

	earlier in the year, can you confirm it is still valid?	<p>notify us with your EOI, ESO will formally respond to confirm the validity of your study.</p> <p>We will minimise rework as far as possible.</p>
14	Will I be able to ask technical queries confidentially?	<p>Yes, you will be able to use the query form and mark your query as confidential. ESO will provide comment where we can, but will not input into or steer decisions.</p> <p>Queries submitted marked as confidential will be reviewed, if ESO does not agree that it is appropriate to respond bilaterally, we will notify the tenderer that we will anonymise the answer and publish it, and will give the tenderer the option to retract their question.</p>
15	I've already completed an F2 which I think will be valid. I think I could offer a better value solution in line with the revised technical requirements but this would need design rework. Can I request funding for further design rework?	<p>Please notify us within your EOI. ESO will assess whether further funding for rework is justified, and if so, you will be asked to submit a scope for the additional work by the F1/F2 scope deadline.</p> <p>ESO will have no obligation to accept requests for further funding, and will reject proposals for work that could create a competitive advantage.</p>
16	Will the tender programme be impacted if another tenderer falls behind?	<p>The timeline will be fixed, and ESO will ask all interested parties to commit at EOI stage to meeting it. The overall timeline will not be impacted should one tenderer not meet it.</p>
17	Does the timeline allow for negotiation of terms prior to contract award?	<p>A prerequisite of participation in the tender is that parties agree to the standard terms, to ensure fairness and transparency.</p> <p>We do not expect to amend the terms for individual potential BS service providers, but if at EOI stage a provider still has comments on particular items, they must notify us using the contract deviation table. This will be the only opportunity during the tender to raise potential amendments. ESO is not obliged to accept any proposed deviations.</p> <p>If the service description needs to be amended to reflect the service offering this can be discussed ahead of contract award.</p> <p>We welcome all feedback on the terms during the request for feedback period, so that we can make any appropriate amendments ahead of the EOI. Please use appendix 5 of the Request for Feedback document to share this with us.</p>
18	If I send my feedback in using Appendix 5, will my comments be published?	<p>No. We will analyse the feedback and will publish a summary of the key themes, but will not publish individual comments.</p>
19	Are the technical requirements and assessment criteria fixed or could they change during the tender?	<p>The technical requirements and assessment criteria we have published at the moment are a proposal, and we have requested feedback from industry to help shape our approach. It may be that amendments are made following review of the feedback submitted. If this is the</p>

		case, this will be finalised before EOIs are requested. No further changes will be made after EOIs are requested.
20 W	Are batteries able to participate?	Anyone can participate providing the technical requirements are met. It's possibly unlikely at the moment that batteries could meet the requirements of a full service on their own, but may be able to enter through the combined service route, providing they can find an appropriate partner.
21 W	What exactly is the definition of Sequential Start-ups?	Following a BS event and during the re-instatement period the Power Island created by a BS Service Provider may collapse. The expectation is that a BS Service Provider will be capable of, consecutively, re-starting and re-establishing the collapsed Power Island a minimum number of times (3).
22 W	Power input / demand doesn't appear in the assessment criteria. Will this be given some weight?	We are valuing the power export capability of potential BS Service Providers (active and reactive) and demand will be used to stabilise generation. Demand (blocks of load) will, in general, be provided by DNOs.
23 W	If this is for delivery in 2022, what will happen for future providers? Will this be an annual tender?	For this tender round, we're proposing a contract duration of 5 years. Speculating, it may be that in the future contract durations are shorter and tenders happen more frequently, though this is yet to be determined. We plan to roll this approach out to the other zones too, and to reduce/remove barriers further and make provisions for other technologies, as and when the technology readiness level for BS is appropriate and the risk to the end consumer reduces.
24 W	In anticipation for an eventual inclusion of non-traditional technologies entering Black Start, should we see the contract terms and procurement process set out in this trial as an indication of your requirements for all BS service providers (thermal or otherwise, existing and new projects)? Do you have any thinking on how you might procure non-traditional technologies such as wind?	At the moment, this is being investigated through the NIA/NIC projects. As learnings from these projects become available we will start to evolve our procurement approaches to broaden participation where we can.
25 W	Where will the Request for EOI be published?	Currently, new information and updates will be uploaded onto the website for now. We will also be using our Future of Balancing Services mailing list to notify industry of the request for EOI. You can sign up for this on our Future of Balancing Services webpage.
26 W	How many total MW or assets are you looking for in each of the 2 zones?	During this tender, we are planning to procure against our requirement for two zones. Our requirement is linked to target restoration time, and at the moment, we use '3

		<p>conventional stations per zone' as a proxy for describing what the requirement might look like.</p> <p>This may however change, depending on the tender submissions we receive. We will procure, in merit order, services to meet our requirement in the zone.</p>
27 W	How do potential providers submit an EOI?	<p>All of the instructions for submitting an EOI will be released when we formally invite EOIs in February. There will be a submission form that will require the potential BS Service Provider to return some information to us to confirm their eligibility.</p>
28 W	Who will pay for conducting the F1 & F2 studies?	<p>The F1 is a short study that we aim to streamline with our submission template, and is a summation of current knowledge, we expect the tenderers to cover the costs. Subject to an approved F1 and F2 scope, and once contractualised in a formal agreement, NGESO will fund the F2 report up to a cap of £150,000, which will be reimbursable following completion of the study (including responses to clarifications), and following submission of invoices and evidence of costs incurred.</p>
29 W	Will fast acting frequency response capability be valued?	<p>Fast acting frequency response is, along with other factors, important for the stabilisation of fragile power islands during the early stages of restoration, but on its own, however, does not deliver the BS Service we are pursuing under the current tender. In the current proposal we are valuing Inertia with 15%, and welcome your feedback.</p>
30	Is there the ability to develop multiple technologies in the tender process and ultimately make two (mutually exclusive) separate commercial proposals on different technologies? This would increase development costs, would these development costs be recoverable under separate or a common funding cap?	<p>We have provided the assessment criteria that we will use to assess each bid. There is no reason a provider deciding between two bids could not also use the assessment criteria to score each of their proposals. We expect providers to submit their most valuable offer, and will only accept one proposal on behalf of an asset/site/entity.</p>
31	Is it possible to submit multiple assets at one site e.g. a battery starting up a diesel generator?	<p>Providing the site can meet the technical requirements, <i>how</i> they are met is up to the provider.</p>
32	Are we able to meet the requirements by aggregating services? If this is a yes then would they need to be in the same location?	<p>Aggregated submissions will also be considered, providing the contracted Service is delivered and can meet the technical requirements at one point of delivery. NIC/NIA projects are investigating different approaches to this and as learnings from these projects become available we will start to evolve our procurement approaches to broaden participation where we can.</p>

33 RFF	What information on tender responses will be published during the process?	We will not publish any tender responses or submissions. We will, where possible, publish anonymised metrics that may include total cost, number of contracts agreed, number of participants, technology types, MWs etc.
34 RFF	How would NGESO interact with group-parties during this process, when dealing with joint proposals?	We advise that any combined proposal follows a 'lead party' structure, where the lead party is the point of contact, and organises any supporting contracts necessary with other parties.
35 RFF	How will the status of acquiring required planning permission for potential Black Start providers be assessed?	<p>We ask that during the F1 submission, providers are to provide proof of engagement with relevant authorities regarding consents (to be included as part of the submission template).</p> <p>In addition to the evidence provided in the F1, we also ask for evidence of application(s) being made as part of the F2 submission (will also be included as part of the F2 submission template).</p>
36 RFF	Why has a 70% weighting been chosen for the commercial/technical assessment criteria.	<p>NG ESO is obliged to ensure that spend decisions are economic and efficient, and has a responsibility to minimise costs passed on to the end consumer.</p> <p>We have set out in our technical requirements what we believe will produce a viable service, and as a result, have more heavily weighted the commercial element. We do want to acknowledge that technically superior bids, may contribute to faster restoration timescales, which may reduce overall costs in a BS event.</p>
37 RFF	How will solutions with environmental benefits, such as low carbon technologies, be assessed?	In accordance with our Black Start Procurement Methodology, we are technology neutral.
38 RFF	What do you mean by 'network assessments' at the EOI stage?	<p>This will be performed by NG ESO in the event that your EOI submission highlights areas of limitation in the technical requirements. ESO will assess whether the specific proposal will still be able to contribute to a restoration when considering the limitation. No action will be required from the provider.</p> <p>This is different from Network Studies referred to in the feasibility studies – please see question 12.</p>
39 RFF	Should a potential Service Provider disclose its admissible rate of block loading (example: 20MW every 2 minutes)?	The actual rate will be driven by the providers needs along with the local DNO's switching ability. This will however be detailed/confirmed throughout the F1 & F2 stages (sizes of blocks, time between blocks, any hold points, etc.)
40 RFF	Will there be provision to recover costs for testing?	It would not be economical to carry out testing for each proposal at F2 stage. We ask that a Statement of Capability from the OEM is provided as part of the F2, in lieu of pre-contract testing.

41 RFF	Is there the ability to drop out of the process following making an EOI?	You can withdraw from the tender process at any point (prior to a Black Start contract being signed). We do however ask that you give us notice of this withdrawal. If you would like to withdraw from the process during the F2 study, we advise that you ensure you complete and deliver the study to remain eligible for reimbursement.
42 RFF	Is mutual agreement required by both National Grid and the party who is proposing the service in selecting the Study provider?	NG ESO will not approve study providers, but do, as part of the process, agree on a scope of works. We do expect the study provider to have the relevant knowledge and expertise to undertake the study, which is covered in the F2 side letter and terms. The obligation is on the potential BS provider to ensure the study provider is appropriate.
43 RFF	How is extra redundancy valued – multiple units providing the Service compared to a site with only 1 unit?	We require a high service availability ($\geq 90\%$) to cover for planned/unplanned outages. We also ensure that we have sufficient Service Providers contracted within each zone to cover for random faults.
44 RFF	Clarity requested on the phrase used in Appendix 1, Assessment Criteria, Section 3.1, 'Different Technology within a BS Zone'.	By technology we mean fuel (water, wind, coal, gas, diesel, etc.). Assessed against current provision of the BS Service within that zone.
45 RFF	There's a clause in the contract requires the Service Provider to agree the LJRP within three months of service commencement, can you explain this timescale?	NG ESO will work to ensure that all LJRP's are in place ahead of service commencement, the three month period is to allow a long stop period in case issues arise which prevent this.
46	Does the South West zone include South Wales?	Yes.
47	Did National Grid mean ≥ 72 hours at the rated output of the auxiliary unit or ≥ 72 hours at the output required to support/deliver the contracted BS Service?	The latter; ≥ 72 hours at the output required to support/deliver the contracted BS Service.
48	Why is there such a large mismatch between the ≥ 10 hours for the BS Service here and the ≥ 72 hour requirement for the auxiliary supply?	If under a BS event the ESO might decide, when developing the restoration strategy, not to enact all the contracted BS Services "in one go". Examples: (1) A Hydro Power Station, with limited water available to deliver the BS Service, might be left to a later stage of restoration; (2) The Transmission Owner and/or the local DNO may end up having unforeseen challenges in their systems/networks and, for that reason, be unavailable to assist restoration from a BS Service Provider in the first couple of days following the BS event.