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27th March 2019

Dear Industry Colleagues,

**Updated Tender Results for Scotland Reactive Tender**

Following the previously published Scotland Reactive Tender Results on the 8th March 2019, following a prior acceptance of a tender this tender has now been rejected following reassessment. The updated tender results can be found in the appendix.

Following reassessment of all tenders no further tenders have been accepted, all tenders received in this area have already been accepted resulting in no equivalent service for this tender.

**Further Information**

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

Yours sincerely,

Ben Smith

# Appendix 1. Revised Tenders Received and Results

| Tendered Unit | Start of Tender | End of Tender | Lead at 0% of Active Power Output | Lag at 0% of Active Power Output | Availability Fee (£/hr) | Effectiveness Score | Results |
|---|---|---|---|---|---|---|---|
| ACHRW-1 | 01/04/2019 | 30/04/2019 | 3 | 5 | 14.00 | 55 | Accept |
| ACHRW-1 | 01/05/2019 | 31/05/2019 | 3 | 5 | 14.00 | 55 | Accept |
| ACHRW-1 | 01/06/2019 | 30/06/2019 | 3 | 5 | 14.00 | 55 | Accept |
| ACHRW-1 | 01/01/2020 | 31/01/2020 | 3 | 5 | 20.00 | 55 | Reject |
| ACHRW-1 | 01/02/2020 | 29/02/2020 | 3 | 5 | 20.00 | 55 | Reject |
| ACHRW-1 | 01/03/2020 | 31/03/2020 | 3 | 5 | 20.00 | 55 | Reject |
| ACHRW-1 | 01/07/2019 | 31/07/2019 | 3 | 5 | 21.00 | 55 | Reject |
| ACHRW-1 | 01/08/2019 | 31/08/2019 | 3 | 5 | 21.00 | 55 | Reject |
| ACHRW-1 | 01/09/2019 | 30/09/2019 | 3 | 5 | 21.00 | 55 | Reject |
| ACHRW-1 | 01/10/2019 | 31/10/2019 | 3 | 5 | 28.00 | 55 | Reject |
| ACHRW-1 | 01/11/2019 | 30/11/2019 | 3 | 5 | 28.00 | 55 | Reject |
| ACHRW-1 | 01/12/2019 | 31/12/2019 | 3 | 5 | 28.00 | 55 | Reject |
| Andershaw Wind Farm | 01/05/2019 | 31/03/2021 | 25.9 | 23.2 | 34.31 | 13 | Reject |
| ARCHW-1 | 01/04/2019 | 31/03/2020 | 39.44 | 39.44 | 2.83 | 40 | Accept |
| Baillie Wind Farm | 01/05/2019 | 31/03/2021 | 12.5 | 12.5 | 20.99 | 25 | Reject |
| Berry Burn Wind Farm | 01/05/2019 | 31/03/2021 | 28.0 | 30.0 | 36.97 | 24 | Reject |
| BETHW-1 | 01/04/2019 | 31/03/2020 | 10 | 10 | 0.00 | 20 | Reject |
| BTUIW-2 | 01/04/2019 | 31/03/2020 | 15 | 16 | 0.00 | 64 | Accept |
| Clyde | 01/04/2019 | 31/03/2020 | 273.8 | 191.8 | 123.93 | 13 | Reject |
| CRUA - 1 | 01/09/2019 | 31/03/2020 | 39 | 39 | 585.00 | 58 | Reject |
| CRUA - 3 | 01/04/2019 | 31/03/2020 | 39 | 39 | 585.00 | 57 | Reject |
| CRUA -1 | 01/04/2019 | 31/07/2019 | 39 | 39 | 585.00 | 58 | Reject |
| CRYRW-2 | 01/04/2019 | 31/03/2020 | 53 | 55 | 58.00 | 15 | Reject |
| DNLWW-1 | 01/04/2019 | 31/03/2020 | 11 | 11 | 0.00 | 27 | Reject |
| DRSLW-1 | 01/04/2019 | 31/03/2020 | 23 | 23 | 3.29 | 51 | Accept |
| EWHLW-1 | 01/04/2019 | 31/03/2020 | 21 | 13 | 2.49 | 1 | Reject |
| FALGW-1 A | 01/04/2019 | 31/03/2020 | 34 | 67 | 83.34 | 15 | Reject |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| FALGW-1 B | 01/04/2019 | 31/03/2020 | 58 | 57 | 83.34 | 15 | Reject |
| Griffin | 01/04/2019 | 31/03/2020 | 70 | 70 | 90.94 | 35 | Reject |
| HRSTW-1 | 01/04/2019 | 31/03/2020 | 62 | 65 | 9.08 | 11 | Reject |
| KLGLW-1 | 01/04/2019 | 31/03/2020 | 78 | 78 | 5.59 | 38 | Accept |
| MKHLW-1 | 01/04/2019 | 31/03/2020 | 18.4 | 18.4 | 1.32 | 65 | Accept |
| STLGW | 01/04/2019 | 31/03/2020 | 88.8 | 109.4 | 92.60 | 44 | Accept |
| T_BHLAW-1 | 01/04/2019 | 31/03/2020 | 28.8 | 58.5 | 92.60 | 1 | Reject |
| WHILW-1 | 01/04/2019 | 31/03/2020 | 127 | 155 | 25.00 | 39 | Accept |
| WISTW-2 | 01/04/2019 | 31/03/2020 | 8 | 16 | 58.00 | 56 | Reject |

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8th March 2019

Dear Industry Colleagues,

**Tender Results for Scotland Reactive Tender**

Following the Scotland enhanced reactive tender which closed for submission on the 18th February 2019, the below is information the tenders received and results following assessment.

We would like to thank those who participated in the tender round. The summary of the tenders received is as follows:

- 10 tenders from Scottish Power Renewables for 10 different wind farm units
- 3 tenders from DRAX for Cruachan units
- 4 tenders from SSE representing 9 wind farm BMUs
- 3 tenders from Statkraft for 3 different wind farms
- 12 tenders from A'Cruach for 1 wind farm
- 2 tender from Fred Olsen for 2 wind farm
- 2 tenders from Fallago Rig for 1 wind farm

Details of the tender submissions can be found in Appendix 1.

**Tender Results**

In total 36 tenders were received. In total 11 tenders were accepted, the tenders along with accepted and rejected tenders can be found in the appendix to this letter.

**Assessment:**

As outlined in the original RFI the tender assessment process is as follows, further details are included in the RFI:

1. Effectivenss assessment

   Providers in different locations, connected at different voltage levels have a different impact on the transmission system voltage, therefore an effectiveness score needs to be established through technical assessment.

2. Cost assessment

   Each tender is stacked in descending order of its effictve utilisation price, with consideration of the effectiveness of the provider. A tender has to be beneficial against forecasted alternative BM cost for the reactive volume.

3. Comparison against requirements

   All tenders are compared against the requirements. Tenders which meet requirements, and result in no over holding are considered for acceptance.

Following technical assessment the effectiveness score of each tender received are detailed below. The effectiveness of the units may differ to that published in the original document, the original documentation was an indicative effectiveness. Once the system studies were completed on an individual unit basis this may have resulted in a change in effectiveness due to conditions/configuration of the system.

| Tendered Unit | Effectiveness (%) |
|---|---|
| | |
| ACHRW-1 | 55 |
| Andershaw Wind Farm | 13 |
| ARCHW-1 | 40 |
| Baillie Wind Farm | 25 |
| Berry Burn Wind Farm | 24 |
| BETHW-1 | 20 |
| BTUIW-2 | 64 |
| Clyde | 13 |
| CRUA - 1 | 58 |
| CRUA - 3 | 57 |
| CRUA -1 | 58 |
| CRYRW-2 | 15 |
| DNLWW-1 | 27 |
| DRSLW-1 | 51 |
| EWHLW-1 | 1 |
| FALGW-1 A | 15 |
| FALGW-1 B | 15 |
| Griffin | 35 |
| HRSTW-1 | 11 |
| KLGLW-1 | 38 |
| MKHLW-1 | 65 |
| STLGW | 44 |
| T_BHLAW-1 | 1 |
| WHILW-1 | 39 |
| WISTW-2 | 56 |

Cost assessment explaination:

To correctly assess all providers who have a varying reactive capability for the Availability Fee, this has been distilled into a price per MVArh.

$$Reactive\ Availability\ Price\ (£/MVArh) = \frac{Availability\ Fee\ (£/hr)}{Reactive\ Range\ (MVAr)}$$

The effective utilisation price is calculated using a forecast payment rate and the provider's effectiveness score. This therefore means providers which are less effective, will have a higher effective utilisation fee.
For example if provider A is 100% effective and provider B 50% effective, provider B will appear twice as expensive. This is because to have the same impact on the system, twice as much reactive power must be utilised.

$$Effective\ Utilisation\ Price\ (£/MVArh) = \frac{Forecast\ ORPS\ Rate\ (£/MVArh)}{Effectiveness\ Score\ (\%)}$$

The effective utilisation and reactive availability prices are combined to determine the most cost effective machine per MVAr.

**Learnings**

The effectiveness was published alongside the tender documentation to give an indication ahead of tender submission, we do recognise that for a small number of providers the actual effectiveness differs from the indicative effectivness. This is the first time the effectiveness has been published ahead of tender submssion, we would value providers feedback on the usefulness of the information for future reactive tenders.

If you wish to submit any feedback on the effectiveness, process, contract etc. please contact Emily Campion.

**Further Information**

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Yours sincerely,
Emily Campion

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