

Invitation to tender for stability service

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To All Potential Service Providers

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Dear Industry Colleagues,

Invitation to tender for stability pathfinder phase 1 (GB 2020)

Following the Request for Information for provision of stability services, which was published on our website on 19 July 2019, a decision to tender for stability services was published on 21 October 2019. National Grid Electricity System Operator Limited (“NGESO”) seeks to procure stability services to manage inertia, dynamic voltage and short circuit levels from April 2020 to March 2026, arising from forecast system conditions.

This letter is accompanied by several other documents which, taken together with this letter, comprise the invitation to tender (“ITT”). The accompanying documents are:

- Tender information pack
- Tender submission proforma (spreadsheet)
- Indicative contract terms
- Assessment methodology
- Substation effectiveness weighting

Tender Conditions

The tender conditions set out in the Appendix to this letter will apply to each tender submitted by a prospective provider. Please ensure that you read the tender conditions carefully at the outset and before making a tender submission.

Contract Terms

Please note that, when prospective providers submit tenders, this will be on the basis that the tendered solution can be delivered in accordance with the contract terms. The contract terms will not be amended post the tender submission deadline (29th November 2019), but we are offering an opportunity for potential providers to raise any issues on the indicative contract terms accompanying this invitation to tender. Potential providers are invited to raise any material concerns together with their proposed solution by not later than 17:00 on Monday 11 November 2019. NGESO will review the comments received by that date and may, in its absolute discretion, reflect all or any of those comments in a revised set of contract terms. If NGESO decides to make any revision it will publish the final terms to prospective providers by not later than Monday 18 November.

Please read the indicative contract terms and any revised contract terms thoroughly before submitting a tender.

Minimum Technical Requirements

The minimum technical requirements can be found in the tender information pack. FAQs will be published on the [NGESO Constraint Management webpage](#) shortly. If you have any questions which are not answered in the forthcoming FAQs document, please contact commercial.operation@nationalgrideso.com.

Service Term

Potential providers are invited to submit tenders for a service term ending on either 23:59:59 on 31st March 2023 or 31st March 2026. Providers can submit alternative tenders for both contract durations if so desired.

New Providers

Successful providers may need to apply for a connection agreement post-tender if they wish to operate outside of their current connection agreement.

Service Submissions

Potential service providers are requested to provide prices for the following services:

Service description:	Stability
Service Type:	To provide stability at zero MW output
Service Term:	From: 01/04/2020 (00:00:00) - 01/04/2021 (00:00:00) To: 31/03/2023 (23:59:59)
Service Period:	00:00 to 24:00
Payment Rate:	£/SP - as tendered (48 SP per day) £/MVAh - paid at the reactive power default payment rate £/MWh - paid at a rate equal to system buy price (for demand required to provide service)

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If submitting multiple tenders, please ensure any conditionality between options is stated (eg: mutually exclusive or all or nothing.)

Timescales

The timescales for this process are as follows:

Tuesday 5 th November 2019	Invitation to tender published including indicative contract terms
Monday 11 th November 2019 17:00	Submission of suggested contract revisions (if applicable)
Monday 18 th November 2019	Final contract terms published
Friday 29 th November 2019 17:00	Submission of prices & services
Friday 13 th December 2019 17:00	Tender results published
Thursday 19 th December 2019	Contracts signed with successful providers
Wednesday 1 st April 2020 00:00 - Thursday 1 st April 2021 00:00	Service commencement

Submission of Service and Price Offers

Should a potential service provider wish to submit service and price offers for these stability requirements, these should be submitted to the email address: commercial.operation@nationalgrideso.com in accordance with these timescales and the tender conditions in the Appendix to this letter. This process is not governed by NGENSO standard contract terms and as such the electronic submission of such offers is acceptable providing the above timescales are complied with.

A template for submissions is provided in Excel format on the [NGESO Constraint Management webpage](#). Please use the tender proforma for your offer submission.

Publication of Information

NGESO shall also publish and / or announce details of the information submitted for the provision of stability from any potential service provider regardless of whether they are successful in the tender, and the service provider is required to consent to the disclosure by NGENSO of any such information. To this end, NGENSO cannot accept an offer from any potential service provider unless they consent to the disclosure of such information.

Where applicable, NGENSO may share technical details from the information submitted with the potential provider's host DNO for the purposes of the technical assessment.

Further Information

For further information please contact commercial.operation@nationalgrideso.com or call 01926 654611.

Yours faithfully

Paul Lowbridge
Balancing & Revenue Services Manager

Commercial, National Grid ESO

Appendix Tender Conditions

By submitting a tender you are agreeing to be bound by the terms of the ITT and the final contract terms without negotiation or material amendment (save for changes necessary to reflect the type and technical characteristics of the tendered plant)

By submitting a tender response in connection with this ITT, potential providers confirm that they will, and that they shall ensure that any consortium members and/or subcontractors will, comply with all applicable laws, codes of practice and statutory guidance.

Third party verification – Your tender response is submitted on the basis that you consent to NGESO carrying out all necessary actions to verify the information that you have provided.

Information made available to potential providers – Information that is supplied to potential providers as part of this Procurement Process is supplied in good faith. The information contained in the ITT and the supporting documents and in any related written or oral communication is believed to be correct at the time of issue but NGESO will not accept any liability for its accuracy, adequacy or completeness and no warranty is given as such.

Potential providers to make their own enquires – You are responsible for analysing and reviewing all information provided to you as part of this Procurement Process and for forming your own opinions and seeking advice as you consider appropriate. You should notify NGESO promptly of any perceived ambiguity, inconsistency or omission in this ITT and/or any in of its associated documents and/or in any information provided to you as part of this Procurement Process.

Amendments to the ITT – At any time prior to the deadline for submitting tender responses, NGESO may amend the ITT or any accompanying documents. Any such amendment shall be issued to all potential suppliers, and if appropriate to ensure potential providers have reasonable time in which to take such amendment into account, the timeline shall, at the discretion of NGESO, be extended. Your tender response must comply with any amendment made by NGESO or it may be rejected.

Rejection of tender responses or other documents – A tender response or any other document requested by NGESO as part of the tender exercise may be rejected if it:

- contains gaps, omissions, misrepresentations, errors or uncompleted sections;
- contains hand written amendments which have not been initialled by the authorised signatory;
- does not reflect and confirm full and unconditional compliance with all of the documents issued by NGESO forming part of the ITT;
- contains any caveats or any other statements or assumptions qualifying the tender response that are not capable of evaluation in accordance with the evaluation model or requiring changes to any documents issued by NGESO in any way;
- is not submitted in a manner consistent with the provisions set out in this ITT;
- is received after the tender deadline.

Disqualification – NGESO shall be entitled to reject your tender response in full and to disqualify you from this procurement process: if you breach these Tender Conditions; if there are any errors, omissions or material adverse changes relating to any information supplied by you at any stage in this procurement process; if any other circumstances set out in this ITT, and/or in any supporting documents, entitling NGESO to reject a tender response apply; if your staff, partner companies, sub-contractors and advisers attempt to inappropriately influence this procurement process; if you fix or set the price for the service; if you enter into an arrangement with any other party that such party shall refrain from submitting a tender response; if you enter into any arrangement with any other party (other than another party that forms part of your consortium bid or is your proposed sub-contractor) as to the prices submitted or you collude in any other way; or if you or your agents or contractors engage in direct or indirect bribery or canvassing in relation to this Procurement Process. Subject to the “Liability” Tender Condition below, by participating in this procurement process you accept that NGESO shall have no liability if you are disqualified for any of these reasons.

Tender costs – You are responsible for obtaining all information necessary for preparation of your tender response and for all costs and expenses incurred in preparation of the tender response. Subject to the “Liability” Tender Condition below, you

accept by your participation in this procurement process, including without limitation the submission of a tender response, that you will not be entitled to claim from NGESO any costs, expenses or liabilities that you may incur in tendering for this procurement irrespective of whether or not your tender response is successful.

Rights to cancel or vary this Procurement Process - By issuing this ITT, entering into clarification communications with potential providers or by having any other form of communication with potential providers, NGESO is not bound in any way to enter into any contractual or other arrangement with you or any other potential provider. It is intended that the remainder of this procurement process will take place in accordance with the provisions of this ITT but NGESO reserves the right to terminate, suspend, amend or vary (to include, without limitation, in relation to any timescales or deadlines) this procurement process by notice to all potential providers in writing. Subject to the "Liability" Tender Condition below, NGESO will have no liability for any losses, costs or expenses suffered or incurred by you as a result of such termination, suspension, amendment or variation.

Partners and sub-contractors – It is your responsibility to ensure that any staff, partner companies, sub-contractors and advisers abide by these Tender Conditions and the requirements of this ITT.

Liability – Nothing in these Tender Conditions is intended to exclude or limit the liability of NGESO in relation to fraud or in other circumstances where NGESO's liability may not be limited under any applicable law.

Withdrawal – You may withdraw your tender submission by submitting a formal request in writing to NGESO, to be received prior to the date of publication of results. This will not be a breach of the tender conditions.

Validity - Your tender response must remain open for acceptance by NGESO for a period of 42 days from the tender deadline. A tender response not valid for this period may be rejected by NGESO.