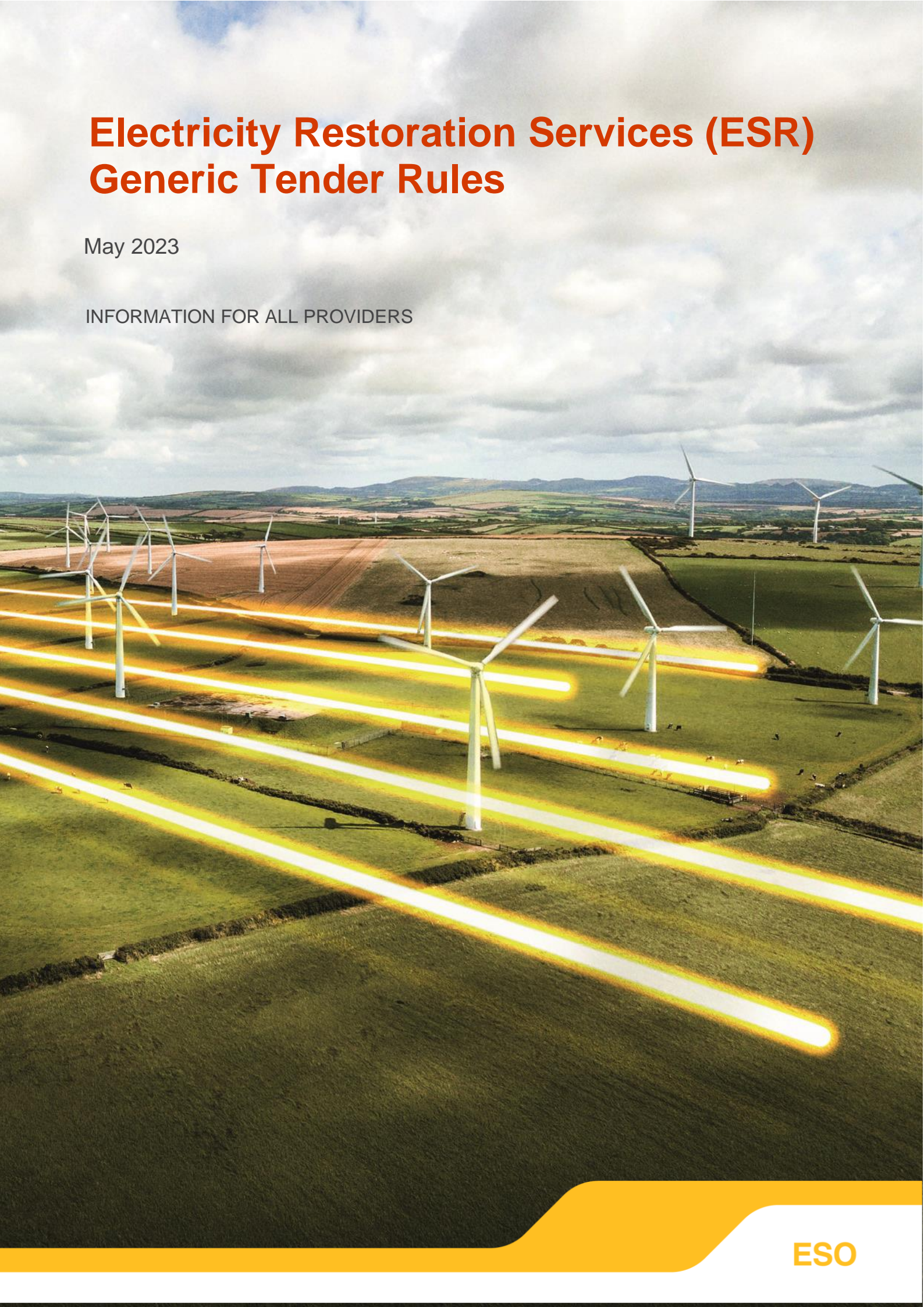


Electricity Restoration Services (ESR) Generic Tender Rules

May 2023

INFORMATION FOR ALL PROVIDERS



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Introduction

The ESO has an obligation to maintain the capability to restore the National Electricity Transmission System (NETS) of Great Britain (GB) from a Total or Partial Shutdown.

In 2018, the ESO introduced a market mechanism for the procurement of Electricity Restoration Services (ERS) contracts through competitive tenders.

With the recent introduction of recommendations from the Distributed ReStart project, the ESO are receiving submissions from an even wider range of technologies connected at different voltage levels on the network.

This document contains comprehensive tender rules applicable to all providers who wish to participate in any ESR Tender event between 2022 to 2025. Note that there are Grid Code modifications being developed and once those are approved, some of the terminology within this document will be updated to reflect the new agreed terms for example Primary Service would be termed as Anchor Restoration Contract.

Please ensure you have read, understood, and agree with the tender rules in this document prior to participating in any ESR event.

Tender Rules

1. By submitting an Expression of Interest (EOI), you confirm that you meet all the technical requirements and eligibility criteria listed within **Appendix 1 - Technical Requirements & Assessment Criteria Document**.
2. You are required to complete all the necessary tender documents at each stage using the templates provided. Even though you may have eligible documents from previous tenders that you can reuse, we still expect the information to be in the correct ESR tender documents for compliance purposes and to ensure all participants are fulfilling the same process requirements.
3. You are required to maintain the protocol of communication and/or queries to the ESO via the route specified in the tender documents. During a live tender, the ESO is not inclined to respond to potential providers outside the formal query management process. The ESO will regularly share and update the Frequently Asked Questions, you are required to check these ahead of contacting the ESO.
4. A 'provider', meaning one legal entity, may submit EOIs and tenders for more than one site they own and across multiple categories which are: Full/Primary Service, Top-up Services for Primary Service, Anchor Generator and Top-up services (these last two are Distributed ReStart categories).
5. One 'solution' per EOI, could comprise of a single or more than one technology type provided it can meet the minimum technical requirements of that category. The solution needs to be on the same site and not co-located elsewhere. We expect the provider to perform their own options assessment, using the technical assessment criteria, and to submit the best value solution.
6. A provider must not submit multiple solutions for the same asset(s) within the same category. For example, if a site comprises of a windfarm, solar and battery assets, the provider can opt to submit a solution using their windfarm and battery for Primary Services but cannot also submit the windfarm and solar for Primary Services.
7. For Distributed ReStart categories, to enable a bottom-up restoration, a feasible Distribution Restoration Zone (DRZ) is required for providers to progress from an EOI Stage. The DRZ is a combination of one Anchor Plant and may include one or more Top-up Service ideally from different providers that are located in close proximity to a Grid Supply Point. The evaluation of a potential feasible DRZ is carried out by the relevant Distribution Network Owner in collaboration with the ESO, collectively a decision will be made on which DRZ combinations of Anchor Plant and Top-up service(s) will be shortlisted.
8. An Anchor Plant or a Top-up service on its own cannot form a DRZ.
9. As a provider, you will not be awarded multiple contracts using the same asset or solution on a single site. You will be eligible for a single contract per site in only one of the categories selected. For example, if a provider enters their wind farm for the provision of an Anchor Restoration Contract, they will only be successfully taken through one of those categories based on our final technical evaluations.
10. The ESO is the lead procurement agent in the ESR process and is responsible for conducting a fair, transparent, and competitive tender event in collaboration with the relevant regional DNO. No provider will be given any unfair advantage through one-to-one engagements. The ESO and DNOs will not consider any additional information shared by the provider outside of the formal tender process.
11. Following success at the EOI stage, you are expected to submit more information about your asset capability as part of the initial feasibility study (F1) stage. Those that have submitted F1 (and F2s) previously can repurpose and share the same information in the required

Tender documents if nothing material has changed at the plant/site/asset. Submission of an Invitation to Tender (ITT) F1 is undertaken at the provider's expense entirely.

12. Following success at the ITT F1 stage, commercial bids and detailed feasibility studies are required as part of the next ITT F2 stage. The ESO provides a capped contribution against the different submission categories towards these reports. The provider is expected to cover the rest of the costs to meet the requirements of this final submission stage.
13. Final contract award is at the ESO's discretion and follows assessment of the F2 submissions. The ESO will collaborate with the relevant DNO for any Distributed ReStart project related decisions.
14. The providers who are awarded contracts are expected to deliver the service no later than the contract start date published within the invitation to tender document, maintain the Restoration capabilities and to deliver the service until the contract end date. This implies that any construction works and any relevant connection agreements, all need to be in place prior to the service go-live date.
15. Following successful completion of project build stage and commissioning tests, providers may be incentivised to start earlier at the ESO's discretion.
16. All providers are required to sign a non-disclosure agreement to be part of an ESR tender process and this applies from the EOI stage onwards.
17. By submitting an EOI and/or any subsequent tender responses in connection with a competitive procurement event, potential providers confirm that they will, and that they shall ensure that any consortium members and/or subcontractors will, comply with all applicable laws, the non-disclosure agreement, codes of practice and statutory guidance.
18. All Information that is supplied to potential providers as part of a competitive procurement event is supplied in good faith. The information contained in the EOI, and any supporting or subsequent documents and in any related written or oral communication is believed to be correct at the time of issue. The ESO will not accept any liability for its accuracy, adequacy or completeness and no warranty is given as such.
19. Potential providers are responsible for analysing and reviewing all information provided as part of a competitive procurement event and for forming your own opinions and seeking advice as you consider appropriate.
20. You should notify ESO promptly of any perceived ambiguity, inconsistency, or omission in the EOI and ITT stages, including any associated/subsequent documents, or communications provided to you as part of a competitive procurement event through the query process.
21. The ESO retains the right to amend the ITT requirements, or timescales at any time prior to a tender submission deadline. Prior notice will be issued to all potential providers to ensure they have reasonable time in which to take such amendments into account and if required, the tender submission deadline can be extended at the discretion of the ESO. Your tender response must comply with the amendments, or it may be rejected.
22. A tender response or any other document submitted as part of the tender exercise may be rejected if it:
 - contains gaps, omissions, misrepresentations, errors, or uncompleted sections
 - contains handwritten amendments which have not been initialled by the authorised signatory
 - does not reflect and confirm full and unconditional compliance with all the documents issued by ESO forming part of the ITT stage

- contains any caveats, or any other statements, or assumptions, qualifying the tender response, that are not compliant for evaluation in accordance with any documents issued by ESO in any way
 - is not submitted in a manner consistent with the provisions set out in the request for EOI, ITT stages, or any subsequent or supporting documents
 - is received after the tender submission deadline.
23. The ESO reserves the right to disqualify from the tender process, any provider if they breach these tender rules, if there are any errors, omissions, or material adverse changes relating to any information supplied by you at any stage in this competitive procurement event, and/or if your staff, partner companies, sub-contractors, and advisor attempts:
- to inappropriately influence this competitive procurement event
 - to fix or set the price for the ESR service
 - to enter any arrangement with any other party that such party shall refrain from submitting a tender response
 - to enter 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
 - to collude in any other way
 - to engage in direct or indirect bribery or canvassing by you or your appointed advisers in relation to this competitive procurement event.
24. By participating in a tender, you consent to your detailed feasibility studies (F2) submission being shared with a third party for verification during tender evaluation.
25. Providers are responsible for obtaining all information necessary for preparation of tender responses and for all costs and expenses incurred in preparation of the tender response (save for those explicitly agreed to by the ESO as part of the ITT F2 process). You accept through participation in this procurement event, including without limitation the submission of a tender response, that you will not be entitled to claim from the ESO any costs, expenses, or liabilities that you may incur in tendering for this procurement irrespective of whether your tender response is successful.
26. The ESO reserves the right to terminate, suspend, amend, or vary (to include, without limitation, in relation to any timescales or deadlines) any competitive procurement event by notice to all potential providers in writing (if cancelled post the ITT stage), and through our website (if cancelled before the ITT stage).
27. Only the costs detailed in the commercial submission spreadsheet that form part of the commercial submission will be recoverable. The ESO will not under any circumstances reimburse any costs which are not included within the spreadsheet but are brought to light after contract award.
28. Regardless of the tender outcome, the ESO is not bound in any way to enter any contractual or other arrangement with you or any other potential provider. We will only do so once the contract award decision is internally sanctioned and legally approved. It is the responsibility of the provider to review and consult on the final contract terms as submitted at the ITT F2 stage prior to contract award. Any changes to the contract terms required post award may not be accepted as these will need to be standardised in the contract template for all other providers too.

29. Tenderers will have a maximum of 15 business days to sign contracts after ESO issue formal contracts for signature. When communicating the results of the tender, the ESO will make clear if any contract award is linked to another party also signing their contract. The ESO expect that all solutions that are successful in the tender will progress to a signed contract if selected as part of the optimal portfolio of solutions, as this is a condition of the Tenderer Declaration that all Tenderers must return at Tender submission.

However, there may be circumstances in which this is breached, and an accepted solution does not sign the contract as expected. If within this 15 business day period, an unlinked contract breaches the Tenderer Declaration and declines to sign, the ESO reserve the right to re-evaluate that party's solution(s) and procure the most economic replacement(s). If within this 15 business day period, any of the linked contracts breaches the Tenderer Declaration and declines to sign, the ESO reserve the right to reconsider all the linked contract awards in this period and procure the most economic replacement(s). For the avoidance of doubt, if in this period all the linked contracts are signed within the 15 business day period, this will not be required.

If upon the 15 business day signature deadline a Tenderer has failed to sign and not provided reason for not signing, NGESO reserve the right to re-evaluate that Tenderer's solution(s) and procure the most economic replacement(s) for said solution(s) only. The replacement(s) could be chosen from the previously unsuccessful tendered options.

30. Providers will be required to provide operational metering if successful and offered a restoration contract. This is a new requirement which is due to be implemented following consultation with the industry and will form part of the contract terms. As a minimum the ESO Control Room will require a live feed showing:

- Frequency (Hz)
- Voltage (kV)
- Availability of Contracted Units (for each contracted Unit, Available/Unavailable)
- Power Output – MW
- Power Output – MVAR

Specifically for Wind Providers we are also expecting the additional information:

- Wind speed forecasts and observations (ms^{-1})
- Wind direction forecasts and observations (degrees)

31. All providers who are awarded a tender through this competitive procurement event are responsible for ensuring that the ESR telephone/comms line is always working effectively during the contract. It is the providers responsibility to test this at regular intervals in line with the tender terms.

32. Providers who are awarded a contract, must make necessary arrangements for a Commissioning Assessment test before the service can go-live. Requirements for this test are stated within the published tender documents.

Feedback

We ask providers to keep an open dialog with us during the tender events and continue to provide us with feedback. If you have any questions or feedback regarding any of the tender rules in this document, please email into commercial operations commercial.operation@nationalgrideso.com