

Instructions to Tenderers – Invitation to Tender (ITT)

Voltage 2026

Network Services Procurement (formerly known as Pathfinders)

Version 3

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Version	Description	Date
V1	Instructions to tenderers at Expression of Interest (EOI) and consultation stage of the Voltage 2026 tender. Subject to updates at Invitation to Tender (ITT) stage.	6 October 2023
V2	Instructions to tenderers at ITT stage of the Voltage 2026 tender. This version contains additional rules/guidance and provides some clarifications following the EOI stage. This document supersedes the EOI copy of this document.	19 December 2023
V3	Update to Instructions to Tenderers during ITT. This version updates sections 2 and 15 to reflect an increase of the reactive power requirement in the North England region. Table references added to all subsequent tables for each of reference.	26 January 2024

LEGAL DISCLAIMER

This document has been prepared by National Grid Electricity System Operator (ESO) and is provided voluntarily and without charge. Whilst ESO has taken all reasonable care in preparing this document, no representation or warranty either expressed or implied is made as to the accuracy and completeness of the information that it contains and parties using information within the document should make their own enquiries as to its accuracy and suitability for the purpose for which they use it. Neither ESO nor any other companies in the National Grid plc group, nor any directors or employees of any such company shall be liable for any error or misstatement or opinion on which the recipient of this document relies or seeks to rely other than fraudulent misstatement or fraudulent misrepresentation and does not accept any responsibility for any use which is made of the information or the document or (to the extent permitted by law) for any damages or losses incurred.

Delay, cancellation, and/or suspension of tender events

ESO unconditionally reserves the right to delay, suspend and/or cancel the Tender Event at any point at its sole discretion and without any liability. The tender timelines provided by ESO are subject to change. ESO unconditionally reserves the right to amend the tender timeline at its sole discretion and without any liability.

Purpose of this document and the ITT Pack

This document and the other documents that make up the ITT Pack have been provided in good faith. The purpose of these documents is to provide the market with information about the tender rules and requirements to enable market participants to make an informed tender submission as part of the ITT. This document has been updated accounting for feedback received through the consultation that was held prior to the Invitation to Tender (ITT). As a result, ITT documents may supersede earlier documents and/or information previously communicated during the EOI.

Commercial Decisions

Any commercial decisions made by bidders to facilitate or support tender submissions, where they are not required as part of the tender criteria or other tender requirements, are made at the full discretion of the tender participant. Neither ESO nor any other companies in the National Grid plc group, nor any directors or employees of any such company shall be liable for any results of these commercial decisions and does not accept responsibility for any commercial decisions made by participants.

1. Introduction

On behalf of National Grid Electricity System Operator (ESO), your company is invited to tender in accordance with the documents set out in the ITT Pack (Appendix A) provided as part of this invitation to tender (ITT) for the **Network Services Procurement Voltage 2026 ITT (ESO Tender Ref No: WS4299484557)**.

The Network Services Procurement Voltage 2026 tender will be referred to as '**Voltage 2026**' herein. Please note that previously this tender would have been referred to as a 'Pathfinder'. Going forward, in line with ESO's [BP2 business plan](#), these types of tenders will be referred to as 'Network Services Procurement'.

The purpose of this document is to:

- provide information about how the tender process will be facilitated.
- provide key instructions, rules, and guidelines.
- explains how bidders can respond to the ITT.

If there is any inconsistency or conflict between the terms of these instructions and any other document comprised in the ITT Pack, the provisions of these instructions in conjunction with the Contract Award Criteria shall prevail.

2. Voltage 2026 Requirements – Summary Information

V3 Clarification: Please note this section has been updated as part of the V3 publication of this document.

ESO are looking for solutions to support locational reactive power absorption requirements in England from **April 2026**, with a 10-year initial contract duration until **March 2036**.

The locational requirements are as follows:

Table 1

Region	Reactive power absorption requirement (effective Mvar)	Total for region
London	-200 Mvar from April 2026	-200Mvar
North England 2026 (V3 Update)	-200 Mvar from April 2026	-400Mvar
North England 2027 (V3 Update)	-200 Mvar from April 2027	

ESO may procure above, or below, these requirement figures across each region according to the Tender Submissions received and the most economic action to take identified as a result of the tender assessment.

The table below provides a high-level summary of the requirements for this tender, but please refer to the other tender documents, for example the Voltage 2026 Technical Specification, for details.

Table 2

Topic	Voltage 2026
Requirement	Reactive power absorption services in the two regions of need defined above. The service can be provided by either static or dynamic assets. Please refer to the Voltage 2026 Technical Specification for more details.
Service delivery period	V3 Clarification: For the London region the service delivery period being sought is 1 April 2026 until 31 March 2036. For the North England region, an initial -200Mvar is being sought from 1 April 2026 until 31 March 2036 and an additional -200Mvar is being sought from 1 April 2027 until 31 March 2036. The contract includes extension options.

<p>What voltage levels can solutions be offered at?</p>	<p>275kV and above (or directly connected to the transmission system). Any solution proposed must meet the tender criteria such as the Technical Specification and the Eligibility Criteria (Section 8 of this document).</p> <p>The purpose of this tender is to help resolve high voltage issues on the transmission network. Findings from previous long-term Pathfinder tenders (Voltage Mersey/Voltage Pennine) have shown that no distribution-connected solutions have been successful. There are a range of reasons for this that reinforce the inherent difference in the way reactive power is provided from distributed energy resources connected at a distribution level compared to solutions connected at the transmission level (e.g., power factor limitations). ESO recognise the value that distributed energy resources offer and are motivated to find a way for distribution-connected solutions to successfully take part in the reactive power market. This is why ESO previously issued the 'Accessing Additional Voltage' RFI and have since commissioned DNO study work to analyse the RFI output. Furthermore, ESO are developing the reactive power market design project to focus on identifying the most appropriate route to market for distribution-connected solutions. Once this work is completed ESO will be able to build the output into future reactive power market requirements.</p>
<p>Technology type</p>	<p>Voltage 2026 is seeking technologies that provide reactive power absorption services, based on a technology agnostic specification. Any solution proposed must meet the tender criteria such as the Technical Specification and the Eligibility Criteria (Section 7 of this document).</p>
<p>Utilisation / Availability</p>	<p>This tender is seeking at least 90% availability and the contract will be paid on an availability fee £/settlement period basis. The utilisation will not be capped in the contract however an indicative utilisation profile is provided in the Technical Specification. Please refer to the Voltage 2026 Technical Specification for more details.</p>
<p>Can zero-MW (0MW) solutions take part?</p>	<p>Zero-MW (0MW) solutions can participate but must satisfy the Eligibility Criteria in Section 7 of this document. Any solution proposed must meet the tender criteria such as the Technical Specification and the Eligibility Criteria (Section 7 of this document). See the glossary for the definition of a zero-MW (0MW) solution.</p>
<p>Can non-zero-MW (non-0MW) solutions take part?</p>	<p>Non-zero-MW (non-0MW) solutions can participate but must satisfy the Eligibility Criteria in Section 7 of this document. Any solution proposed must meet the tender criteria such as the Technical Specification and the Eligibility Criteria (Section 7 of this document). See the glossary for the definition of a non-zero-MW (non-0MW) solution.</p>
<p>Can services be stacked?</p>	<p>Yes, please refer to Section 8 of this document for more details.</p>
<p>Can existing connections participate?</p>	<p>Yes. Any solution proposed must meet the tender criteria such as the Technical Specification and the Eligibility Criteria (Section 7 of this document). Please refer to the Connections Approach document for more information on associated connections requirements.</p>
<p>Can Transmission Owners participate?</p>	<p>Yes, this tender will allow counterfactual submissions from Transmission Owners (TOs).</p>
<p>Can Offshore Transmission Owners participate?</p>	<p>No OFTOs or offshore windfarms are believed to connect into/plan to connect into any of the substations within the regions of need for this tender. Therefore, no participation by OFTOs or offshore windfarms is anticipated. This equally applies to both OFTOs and offshore windfarms that would transfer to OFTO ownership. Please reach out to ESO to discuss this if necessary.</p>
<p>Can reactors with a transmission license (referred to as TO Lite herein) participate?</p>	<p>Yes, this tender will allow submissions from participants that have a 'TO Lite' license with the view they will be contracted through a commercial contract. This is in line with Ofgem's decision regarding Mersey Reactive Power Limited https://www.ofgem.gov.uk/publications/decision-proceed-licence-grant-process-electricity-transmission-licence-mersey-reactive-power-limited-operation-shunt-reactor</p> <p>Any solution proposed must meet the tender criteria such as the Technical Specification and the Eligibility Criteria (Section 7 of this document).</p>

Will any redundancy be procured based on N-1? No, ESO is not seeking to procure any redundancy based on the N-1 methodology in this tender. However, please note ESO may procure above or below its requirement for each region according to the Tender Submissions received and the most economic action to take identified as a result of the tender assessment.

For information

For the avoidance of doubt, ESO seeks to secure an overall portfolio of solutions that minimises net costs, allowing us to meet the voltage requirements in each region. As a result, the outcome of the tender could be that ESO may select a mix of commercial market participant and Network Owner solutions, and/or ESO may procure more or less than its requirements if it is economic to do so.

- **V3 Clarification:** For the North England Region, an outcome could be that the full -400Mvar requirement is met from solutions submitted for the 1 April 2027 – 31 March 2036 service delivery period.

If none of the solutions tendered by bidders and/or Network Owners provide economic benefits against the forecasted alternative cost of maintaining voltage through the Balancing Mechanism (BM) then this Voltage 2026 tender may not proceed to award. It's possible that only part of the requirement is awarded to a market participant and/or Network Owner where it is economic to do so, whilst the remaining requirement is sought through the BM.

Should a Network Owner be successful in Voltage 2026, Network Owners will perform the service under regulated activities through their price control mechanism. Should a commercial market participant or TO Lite be successful, they will perform the service under the Reactive Power Service Agreement.

ITT V2 Clarification: Are you accepting solutions that cannot start service provision on 1 April 2026?

While the service delivery period for this tender is 1 April 2026 to 31 March 2036, we will consider bids that have a proposed service start date both prior to 1 April 2026 and anywhere between 1 April 2026 and 31 March 2028. If a solution is successful, the proposed service start date will become the contracted Scheduled Commercial Operations Date (SCOD). Please refer to the Contract Award Criteria for how this will be considered during our tender assessment. Please note that the end of the initial contract term will remain as 31 March 2036, even if service provision commences after 1 April 2026.

V3 Clarification: The above remains true for the -200Mvar London requirement and the initial -200Mvar requirement in the North England region. For the additional -200Mvar requirement in North England from 2027, we will consider bids that have a proposed service start date both prior to 1 April 2027 and anywhere between 1 April 2027 and 31 March 2028. If a solution is successful, the proposed service start date will become the contracted Scheduled Commercial Operations Date (SCOD). Please refer to the Contract Award Criteria for how this will be considered during our tender assessment. Please note that the end of the initial contract term will remain as 31 March 2036, even if service provision commences after 1 April 2027.

3. Voltage 2026 Tender Timeline Overview

The Voltage 2026 tender will follow the process outlined below. Prior to this ITT stage a pre-tender Expression of Interest (EOI) and consultation stage has been facilitated. Only those who registered their interest have been invited to the ITT.



Table 3

Voltage 2026 Timeline	
Task	Date
EOI Launch	6 October 2023
EOI Window	Early bird deadline: 24 November 2023 Latest deadline: 19 January 2024
ITT Launch	19 December 2023

ITT Window	19 December 2023 – 20 May 2024
ITT Deadline (Tender Submission Deadline)	20 May 2024
ESO Internal Tender Assessments	20 May – July 2024
ESO Internal Sanction Process	July – August 2024
Contract Award	August – September 2024

Please note this timeline is subject to change/updates as the tender progresses.

Bidders are required to return their tender submission by the **tender submission deadline** using the SAP Ariba Platform.

4. Tender Submission Process and Deadline

The tender submission deadline is **20 May 2024 12:00pm**.

All Tender Submissions must, unless otherwise agreed in writing by ESO, be submitted online through Ariba. If Tenderers face any technical challenges in uploading their submission via Ariba, they must inform ESO at the earliest opportunity.

Tenderers may withdraw from the ITT at any point prior to the tender submission deadline, providing formal notification and a reason for withdrawing from the tender process.

Network Owners may submit their response using the SRF form and any other submission documents by email or through Ariba, as per what is agreed in writing by ESO. These must be submitted by the same tender submission deadline.

Returns of Tenders using ARIBA

Tenderers must return via Ariba the fully completed Tender Submission documents together with any supporting documentation on the Tender Submission Deadline.

Your submission must comprise the following:

- One password-protected submission zip file via Ariba (upload all response documents into one zipped folder in section 2.2). Where the bidder is a third-party market participant, this should include as a minimum a clearly named 'Technical Submission Document', 'Commercial Submission Document' and 'Tenderer Declaration'.
- Please note there may be upload capacity constraints in Ariba e.g. 20mb per section. Please use the additional upload information fields provided to further uploads where necessary.

When requested to do so by ESO, and in any event at the end of the ITT, Tenderers are required to destroy all copies of the ITT documentation which have been issued as part of this ITT.

Tenderers **must** submit their Tender Submissions in the format requested by ESO. If ESO has requested that a response is restricted to a set amount of words or pages this must be adhered to. Any response in excess of the maximum word count or page count will only be considered up to the word or page count that was set. Anything beyond this will not be considered.

Any additional documents, attachments and appendices provided must clearly state the Tenderer's name and the question number it relates to using the following document naming convention.

[Company Name] [Solution Reference] [Question No].

Failure to comply may invalidate the submission. **Special characters (&, %, \$, £, ~, # etc) must not be used in document names.**

Conditions of submitting a tender

By returning a Tender Submission for this ITT, Bidders are agreeing to be bound by the terms of the ITT Pack and the final contract terms without negotiation or material amendment.

Bidders also confirm that they shall ensure that any JV/Group/Consortium members and/or subcontractors comply with all applicable laws, codes of practice and statutory guidance.

Information that is supplied as part of this ITT is supplied in good faith. The information contained in the ITT Pack and in any related written or oral communication is believed to be correct at the time of issue, but ESO will not accept any liability for its accuracy, adequacy or completeness and no warranty is given as such. This includes but is not limited to Ofgem's recent announcement on the treatment of synchronous condensers which can be found [here](#), and the recent announcement on Ofgem's decision on TO Licences for operation of a shunt reactor which can be found [here](#).

Any reliance by a bidder or any third party on the information provided by ESO as part of this ITT is at the Bidder's and/or third party's risk.

Tender Submission Guidance

Each bidder that registered to participate in Voltage 2026 will be required to return completed versions of the appropriate tender submission documents. For third party market participants, this includes the Technical Submission Document and Commercial Submission document. For a Network Owner then a completed SRF Submission Document should be provided to submit a counterfactual response.

Bidders will be required to confirm the name of the contracting entity for each solution put forward as part of their Tender Submission. This means that for bidders who are parent companies of subsidiaries/Special Purpose Vehicles (SPVs) intended to be the contracting entity, these bidders will be able to confirm which subsidiary/SPV would be the contracting entity against each solution that is proposed, rather than needing to submit separate Tender Submissions for each subsidiary/SPV. This information will be used to populate the contract agreements where a third-party market participant is successful in the tender.

Where contracting entities do not exist yet and would be set up upon success in this tender (e.g., an SPV), the name of the contracting entity that would enter the contract should still be provided. This information should not change between tender submission and contract signature; however, amendments can be made by exception where necessary subject to ESO discretion.

Example

Company A puts forward 5 solutions within their Tender Submission and Company A would be the contracting entity for each of those 5. In the submission document, the tenderer would list 'Company A' as the contracting entity for each solution.

Company B put forward 5 solutions in their Tender Submission, but the contracting entity for each solution would be different a subsidiary, or SPV, set up under Company B (e.g., CompanyB1, CompanyB2). In the submission document the relevant subsidiary or SPV that would be the contracting entity would need to be confirmed against each solution.

Joint Ventures

If a Tenderer is responding to the ITT as a group / consortium (including any joint venture) (a "Group"), the following information must be provided in an additional document at Tender Submission:

- a. Company names of all Group members; and
- b. if the Group is formed as a separate legal entity to be contractually responsible for delivery of the contract, full details of the actual or proposed percentage shareholding of the constituent members within the new legal entity; or
- c. if the Group is not to be set up as a separate legal entity, then the Group lead (the entity with responsibility for submitting the Tender) should make it clear who the lead member of the group is, and who will be contractually responsible for delivery of the contract; and
- d. if the Group is not proposing to form a separate legal entity, full details of the proposed arrangements between the Group members.

Notwithstanding any indication by a Group that they do not intend to form a separate legal entity, ESO may require the Group to assume a specific legal form if awarded the contract, to the extent that a specific legal form is deemed by ESO as being necessary for the satisfactory performance of the contract.

By electing to submit a response and accepting these Instructions, the Tenderer (including all entities which are being relied upon to meet the requirements of the ITT, each sub-contractor that is intended to play a significant role in delivering key contract requirements and, where the Tenderer is a Group, all members of the Group, as applicable) signifies its agreement to:

- a. keep and maintain the information contained in the ITT Pack (including any addenda thereto, any clarifications or contact details issued by ESO) confidential. This obligation shall survive the Procurement and shall apply whether the Tenderer is successful or not. Any Tenderer which does not intend to submit a response shall be subject to the same confidentiality obligations hereunder. ESO requires each Group member to enter the Confidentiality Agreement set out in Ariba; and
- b. where members of a Group are submitting Tender responses individually in addition to as part of a Group, that the terms of the Non-Collusion Agreement set out in Ariba will be adhered to.

Tenderers are reminded that new Tenderers cannot be admitted to the ITT once the Expression of Interest deadline has passed. Accordingly, it is not possible for a Group to dissolve and for individual members to submit a Tender separately if those individual members have not registered as individuals and provided separate Confidentiality Agreements and Non-Collusion Agreements.

Furthermore, it is not possible for a Group to dissolve and new Tenders to be submitted for individual member(s) after the Tender submission deadline has passed.

Tenderers are reminded that ESO must be notified immediately of any changes, or proposed changes, in relation to information provided by a Tenderer in their Tender response (including in relation to the bidding entity e.g. Group members) so that a further assessment can be carried out.

ESO reserves the right to eliminate a Tenderer prior to any award of a contract, either based on an assessment of the updated information where that assessment is carried out in accordance with the Contract Award Criteria or where a Tenderer fails to disclose any such change.

5. ITT Content

The Voltage 2026 ITT Pack consists of three parts.

Part 1 – Tender Instructions

The documents in this part provide instructions and guidelines on the key rules and requirements for Tender Submission, including an explanation of the assessment methodology that will be followed by ESO.

- V2026 Invitation to Tender Letter
- V2026 Instructions to Tenderers - ITT (*this document*)
- V2026 Contract Award Criteria
- Query Log

Part 2 – Tender Information

The documents in this part provide information to be used bidders as part of their tender submission.

- V2026 Technical Specification
- V2026 Connections Approach
- V2026 NGET Non-Operational Land Information
- V2026 Payment Calculator (Illustrative)
- V2026 Reactive Power Services Agreement
 - General Terms and Conditions
 - Contract Form
- Acceptable Security ESO Drafts
 - V2026 Letter of Credit Template
 - V2026 Parent Company Guarantee Joint & Several

- V2026 Parent Company Guarantee Standard
- V2026 NGET Connection Feasibility Report

Part 3 – Tender Submission Documents

The documents in this part are the templates that must be completed and returned as part of bidder tender submissions.

- V2026 Technical Submission *(to be completed by third-party commercial participants only)*
- V2026 Commercial Submission *(to be completed by third-party commercial participants only)*
- V2026 Tenderer Declaration *(to be completed by third-party commercial participants only)*
- V2026 Network Owner SRF Form *(to be completed by Network Owners only)*

All documents listed above are applicable to all bidders unless otherwise indicated.

Note: All documents listed above are applicable to all bidders unless otherwise indicated. At any time prior to the tender submission deadline, ESO may amend any of the ITT Pack or provide additional information through tender bulletin messages and/or clarifications. Additional information will be issued to all Tenderers through the ARIBA platform. It is the responsibility of the Tenderer to ensure they have all updated information and that Tender responses comply with any updated or new information that is provided. If appropriate, to ensure Tenderers have reasonable time in which to take such amendment into account, the timeline shall, at the discretion of ESO, be extended. Tenders must comply with any amendment made by ESO or their submission may be rejected.

Document updates following the EOI and Consultation Stage

Earlier in the Voltage 2026 procurement process ESO sought industry feedback on the EOI Pack. Please note that documents within the ITT Pack may have been updated since the EOI and consultation stage. These updates may supersede information previously communicated during the EOI. It is the responsibility of bidders to ensure that they fully understand the ITT documents and to reach out to the ESO if they have any questions.

Bidders should note the updates that have been made to the contract documents following receipt of consultation feedback, specifically the following clauses:

- Clause 3
- Clause 4.1.3
- Clause 4.3.2
- Clause 4.7
- Schedule 2
- Post Tender Milestones within the Contract Form

If bidders have any comments or feedback about the contract amendments, please share this with the Stability Team using the Ariba Message Board by [Friday 23rd February 2024](#) at the latest.

6. Award Procedure

The award of the contract(s) will be based on the most economically efficient combination of solutions, as identified in accordance with the Contract Award Criteria.

7. Eligibility Criteria

Bidders will be considered in the Voltage 2026 tender such that the eligibility criteria have been satisfied. Please refer to Appendix B for more details. If bidders have any queries or concerns regarding how they meet the eligibility criteria, please contact ESO using the query process explained in Section 10.

Whether bidders satisfy the eligibility criteria will be assessed as part of the technical criteria. Please refer to the Contract Award Criteria and submission documents for more details.

8. Stacking services rules

ITT Clarification: Please note this section has been updated at ITT in the V2 publication of this document.

Service stacking is permitted under the contract for Voltage 2026 such that it does not impact the bidder's ability to provide the contracted service. The table below lists out which services can be stacked. Please refer to the contract for details.

Table 4

Service	Is Stacking Permitted?
Balancing Mechanism	Yes, provided that it does not impact the bidder's ability to provide the contracted service.
Frequency Response	
Reserve	The solution will be classed as available when stacking under the Voltage 2026 and therefore eligible for payment based on the payment formulas in the contract - such that it does not impact the bidder's ability to provide the contracted service and/or a declaration of unavailability has not been submitted.
Constraint Management	
Enhanced Reactive Power	
Wholesale electricity market	
Capacity Market	Where the bidder submits a proposal for Mvar capability where the same capability would be eligible for ORPS or any other payments for reactive power from other stacked services, they will forgo the ORPS payment and / or any other payments for reactive power from the other stacked services, and only be paid under this contract.
Electricity System Restoration	

If you have any concerns with regards to how the stacking rules apply to your proposed solution, please contact the Voltage 2026 team in line with the query process (Section 10 below).

ITT V2 update: During the EOI stage ESO received queries about what stacking was permitted with regards to other Voltage Pathfinders and the recently launched Mid-Term Stability Market. Please see details below on these stacking rules.

Table 5

Service	Can it be stacked?
Voltage Mersey contracts	Only additional reactive power Mvar capability that is proposed in the Voltage 2026 tender can be stacked. The same Mvar capability cannot be contracted under both contracts.
Voltage Pennines contracts	Only additional reactive power Mvar capability that is proposed in the Voltage 2026 tender can be stacked. The same Mvar capability cannot be contracted under both contracts.
Stability Mid-Term Market contracts	These contracts can be stacked. Where the same reactive power capability is stacked in these contracts, the provider will continue to be paid the availability fee under the Voltage 2026 contract when stacking but forgo the ORPS/reactive power payments due under the Mid-Term (Y-1) Stability Market contract for the same reactive power capability, such that it is only paid for its reactive power capability through the Voltage 2026 contract.

9. ITT Webinars

In addition to the pre-tender EOI consultation webinars already held (recordings can be found here: [Technical Webinar](#) & [Commercial Webinar](#)), the following ITT webinars will also be held:

- Technical Webinar – **Tuesday 30 January 2024 11am-12pm** – [LINK](#)
- Contract and Commercial Webinar – **Thursday 1 February 2024 2pm – 3pm** – [LINK](#)

10. Query Process – ITT Stage

Any queries should be submitted using the Tender Query Log through the Ariba Message Board for the duration of the ITT window.

Any generic queries received will be documented and the responses shared with the wider market through a generic query document, or similar. Any confidential queries and responses will be documented in a bidder's confidential query log.

Where bidders believe their queries are confidential, these should be marked as such when submitting queries using the indicator within the Tender Query Log. If on receipt of a query ESO believe the query not to be confidential ESO will confirm this with the relevant Bidder and seek agreement that the response can be made available to all bidders. If the relevant Bidder does not agree with ESO's determination that the query is not confidential it will be able to withdraw the query.

Please note that ESO will organise at least one virtual meeting with each Bidder during the ITT window. Bidders will be able to request at least one further virtual meeting with ESO after the initial call. Should any additional calls be requested, ESO will attempt to facilitate these as best as possible. All questions and responses in these meetings will be documented through the Tender Query Log. Any non-confidential questions that are answered in these sessions will be documented and shared with all other tenderers as part of the Tender Query Process. To request a call please message ESO using the Ariba Message Board.

11. ARIBA

The ITT stage for Voltage 2026 will be facilitated using Ariba. Ariba is the name of a web-based document management and collaboration solution that allows ESO to communicate and share the latest information with all bidders in a secure online environment that maintains tender confidentiality and integrity. The system enables tasks to be generated, information to be issued, and requests for information to be routed to the right people for action and subsequent follow-up.

Any questions to do with the Ariba platform should be submitted through the [Ariba Help Centre](#).

12. Acknowledgement of Receipt

Receipt of this ITT must be acknowledged within **15 working days** of issue by posting a message on the Ariba message board. When posting an acknowledgement ESO requests that bidders clearly state an intention to provide a Tender Submission or decline the ITT.

Tenderers who choose to decline the ITT will be locked out of the Ariba event which will restrict access to the ITT Tender Pack, communications and remove the ability to return a tender submission.

Tenderers who state an intention to bid can later withdraw from the tender after posting this acknowledgement message. These bidders will also be locked out of the Ariba event. Please see Section 17 for more information.

13. Bidder to Provide Password

When exchanging confidential information between a bidder and the ESO, password protection may be adopted to maintain confidentiality. Bidders are asked to provide a confidential password to ESO. If bidders fail to provide a password by the time an exchange of confidential information is required, ESO will create a password and share this with the bidder.

When creating a password, it must be at least 8 characters long and should include at least one lower case, one upper case, one number and one special character e.g. Special@123, or, Pa55word!

14. Site Visits

During the ITT window ESO may seek to organise a site visit to the reserved bay substation. More details will be communicated during the tender window.

15. Solution Caps and Bundling

V3 Clarification: Please note this section has been updated as part of the V3 publication of this document.

Bidders will be able to propose multiple solutions within their tender submissions. For the avoidance of doubt, a solution is any one asset (e.g., reactor) or group of assets (e.g. four aggregated reactors) connected through one connection point/bay. Tenderers who wish to bank/aggregate multiple assets must provide these as one solution that connects through one connection point/bay.

For Voltage 2026 there will be two layers to the cap.

- The first layer is a cap on how many solution variations can be proposed based on the same underlying asset/group of assets per parent company.
- The second layer is an overall cap of how many solutions can be proposed per region of need, per parent company.

The caps are set out in the table below.

Table 6 (this table has been updated as part of the V3 update)

Region	Cap per underlying asset/group of assets	Total Regional Cap
London	3 solutions	15 solutions
North England 2026	3 solutions	15 solutions
North England 2027 (V3 Update)	3 solutions	15 solutions

V3 Clarification: Bidders who will have a solution available in the North England from 2026 are encouraged to bid that solution into both the initial -200Mvar from 2026 and the additional -200Mvar from 2027.

These caps will also apply to bidders that are affiliated, or in some way linked, with the ownership of another bidder involved, even where the affiliate/ linked relationship is not one of a true parent. For example, where two bidders have the same ownership in companies house.

The cap on solutions is absolute and cannot be exceeded.

If in any doubt about whether companies would count toward the cap, please enquire about this with ESO.

ESO's decision is final on whether companies are considered 'linked' for the purposes of this cap and ESO will exclude any solutions that fall outside of this cap and ESO does not accept any liability towards any of the affected bidders. In the event of ESO needing to exclude solutions, it is at ESO's sole discretion which solutions are excluded.

Independent and mutually exclusive solutions

During the ITT, bidders will be required to state whether any of the proposed solutions are independent of one another or mutually exclusive. Whether solutions are mutually exclusive or independent, both will count towards the solutions cap.

- Mutually exclusive: The tenderer wishes for only one of these solutions to be accepted.
- Independent: The tenderer can deliver all these solutions independently of one another if they were all to be accepted.

Any solutions submitted by the same tenderer at the same substation will be treated by ESO as mutually exclusive of one another, i.e., only one of those solutions can be accepted.

ESO

Any solutions submitted by different tenderers but at the same substation will be treated by ESO as mutually exclusive of one another, i.e., only one of those solutions can be accepted.

V3 Clarification: Where a bidder has a solution available in the North England from 2026 and bids that solution into both the initial -200Mvar from 2026 and the additional -200Mvar from 2027, these solutions will be treated by ESO as mutually exclusive of one another, i.e., such that it could only be selected once in our economic assessment.

Bundling opportunities

Tenderers will have the opportunity to let ESO know whether any solutions can be offered as a bundled efficiency group. This would be where multiple solutions can be delivered for a price efficiency if ESO were to accept all of them. Each solution within an efficiency group must be capable of being delivered independently of one-another.

For avoidance of doubt, efficiency groups are made up of the solutions proposed within the cap, they are not an opportunity to offer any new / additional solutions.

There is no cap on how many efficiency groups can be proposed, such that efficiency groups are made up of the solutions proposed within the cap and that each solution within the efficiency groups can be delivered independently of one another, i.e. while the solutions that make up the efficiency group count towards the cap on bids, the act of providing an efficiency group does not contribute towards the cap.

Joint venture specific solution cap rules

Where joint ventures provide a tender submission and the companies that form the joint venture also submit as separate tenderers, any solutions submitted under the joint venture's submission will contribute to the solution cap to each of the companies that form the joint venture.

For example, if Company X and Company Y form joint venture Z, and all three entities provide tender submissions, any solutions submitted under joint venture Z will count towards the cap of Company X and Company Y. This means if joint venture Z submitted 3 solutions in a region, Company X submitted 2 different solutions, and Company Y submitted another 3 different solutions, then the total solutions submitted by Company X would be 5 and of Company Y would be 6.

16. Solution Sizing Guidance

Please refer to the Voltage 2026 Technical Specification for technical requirements related to solution sizing.

Please refer to the Voltage 2026 Connections Approach for more information on how solutions should be sized with regards to how they will connect (e.g., existing connection agreements, new connection agreements, reserved bays).

17. Inability to Tender

If for any reason a bidder is unable to submit or chooses to withdraw from the ITT prior to the submission date, these bidders should formally notify ESO in writing, providing a reason for declining to tender. Once a bidder has withdrawn from the tender, they will be locked out of the Ariba event which will restrict access to the ITT Tender Pack, communications and remove the ability to return a tender submission.

These bidders are also asked to please destroy/delete **ALL** copies of documents immediately to maintain the confidentiality and integrity of the tender process.

18. Amendments to Tender Submissions

Tender submissions can be amended at any time prior to the closing date and time for tender submissions. The latest submission at the time of the tender submission deadline shall be used in the tender assessment.

From time to time during the assessment process, ESO may clarify details of the tender submissions. This may require bidders to submit additional or amended information for consideration in the tender assessment. Where this is triggered by an ESO clarification it is acceptable.

Beyond this, bidders should not submit any additional information after the tender submission deadline without prior request for clarification from ESO. The details of proposed solutions (including Mvar capability) cannot change after the tender submission deadline. The information that is submitted at this time will be what is assessed, and if successful, taken forward into the contract.

19. Rejection/ Removal of tender submissions or other documents

A Tender Submission or any other document requested by ESO as part of the ITT may be rejected (at ESO's discretion) if, but not limited to, it:

- contains gaps, omissions, misrepresentations, errors or uncompleted sections;
- contains handwritten amendments that have not been initialled by the authorised signatory;
- does not reflect and confirm full and unconditional compliance with all of the documents issued by ESO 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 ESO in any way;
- is not submitted in a manner consistent with the provisions set out in these Instructions and the ITT Tender Pack;
- is quoted in any currency other than pounds sterling;
- does not include agreement of all tender conditions as set out in the Technical Submission Document;
- is received after the Tender submission deadline.

20. Language

Tender submissions, supporting documents and subsequent communications relating to this Voltage 2026 tender shall be in the English language.

21. Currency

During the ITT stage, the offer must quote prices in **pounds sterling**. All payments made under any subsequent contract shall be made in **pounds sterling**.

22. Validity Period of Tender Submissions

Tender submissions shall remain valid for acceptance for a period of **180-days** from the date fixed for the tender submission deadline.

23. Sufficiency and Accuracy of Tender Submissions

By returning a Tender Submission, Tenderers will be confirming that they have examined all the documents comprising the ITT Pack (and any amendments or additions thereto issued by ESO during the ITT window).

It is the responsibility of each Tenderer to check the completeness and accuracy of their Tender prior to its submission. Errors or omissions may result in a Tender being rejected or disqualified at the discretion of ESO.

24. Qualified Tenders

Once Tenderers have uploaded their Tender Submission and the tender submission deadline has closed Tenderers **must not** amend any part of their Tender. Any alteration, omission made without the prior consent of ESO to any ESO document forming part of the ITT may result in the Tenderer being disqualified at the discretion of ESO.

25. Sub-Contractors/Sub-Consultants

It is the responsibility of each Bidder to share the appropriate and relevant information with any of their chosen sub-consultants and/or sub-contractors in line with the Confidentiality requirements of this tender.

ESO will not respond to any direct approach from such potential sub-consultants/sub-contractor for details about this ITT.

26. Suspension or Cancellation of Tender Event

By issuing this ITT, entering into clarification communications with bidders or by having any other form of communication with bidders, ESO is not bound in any way to enter into any contractual or other arrangement with any bidder. This ITT will take place in accordance with the provisions of this ITT, but ESO reserves the right to terminate, suspend, amend or vary (to include, without limitation, in relation to any timescales or deadlines) this ITT by notice to all bidders in writing. ESO will have no liability for any losses, costs or expenses suffered or incurred by bidders as a result of such termination, suspension, amendment or variation.

27. Confidentiality

All details of the ITT and associated documents must be treated as private and confidential and shall not be disclosed to any other party, except where this is necessary for Bidders to prepare and return their tender submission. Bidders must ensure that they have an adequate confidentiality agreement in place with any subcontractors, funders, consultants or agents before issuing them with any information concerning the requirements of this ITT. Bidders must release only that part of the information concerning the requirements as is essential to obtain quotations from potential subcontractors, consultants or agents.

ESO reserves the right to audit Bidders to confirm if such confidentiality agreements are in place. If the Bidder is not in compliance with these provisions, ESO reserves the right to disqualify the Bidder from further participation in the event.

By returning a tender submission, the Bidder irrevocably consents to ESO carrying out all necessary actions to verify the information that they have provided, including but not limited to sharing with Network Owners or third-party verification.

28. Tender conduct and conflicts of interest

For the duration of this Voltage 2026 process with effect from the launch of the EOI, any attempt by tenderers or their advisors to influence the contract award process in any way may result in the bidder being disqualified.

Specifically, bidders shall not directly or indirectly, at any time:

- a) devise or amend the content of their Tender Submission in accordance with any agreement or arrangement with any other person, other than in good faith with a person who is a proposed subcontractor, funder, consultant or agent;
- b) enter into any agreement or arrangement with any other person as to the form or content of any other Tender Submission, or offer to pay any sum of money or valuable consideration to any person to effect changes to the form or content of any other Tender Submission;
- c) enter into any agreement or arrangement with any other person that has the effect of prohibiting or excluding that person from submitting a tender;
- d) canvass ESO or any employees or agents of ESO in relation to this procurement; or
- e) attempt to obtain information from any of the employees or agents of ESO or their advisers concerning another Bidder or their tender submission.

Bidders are responsible for ensuring that no conflicts of interest exist between the bidder and its advisers, and ESO and its advisers. Any bidder who fails to comply with this requirement may be disqualified from the procurement at the discretion of ESO.

29. Negotiations

ESO reserves the right to initiate negotiations as part of this tender process.

30. Contracting Entity

Bidders should be aware that any contract(s) awarded as a result of this Voltage 2026 tender process will be entered into with National Grid Electricity System Operator Ltd, unless otherwise stated in a particular instance, such as the transition to the Future System Operator (FSO).

31. Form of Contract

Should a commercial participant be successful in Voltage 2026, the chosen form of contract for this requirement will be the General Terms and Conditions and Contract Form for the Provision of the Voltage Compensation Service, Voltage 2026. These are the terms on which ESO wishes to contract.

Bidders should note that where a tenderer is successful in being awarded a contract, the proforma contract will be amended by ESO to incorporate information from the relevant ITT documentation and the winning Tender Submission (including any clarifications) in each case, as applicable.

Should Network Owners be successful, they will provide their solutions under their standard regulatory mechanisms.

32. Signature of Contract

Where a Tender Submission is selected by ESO for contract award, then within 30 business days of receiving the Contract Award letter the Bidder must:

1. Sign the contract **and**
2. Provide the Acceptable Security.

Upon receipt of both the signed contract and Acceptable Security, ESO will countersign the Contract Form.

ESO reserves the right to re-evaluate the Tender Submissions in line with the Contract Award Criteria if any successful Bidder fails to sign the Service Agreement and/or provide the Acceptable Security by the 30-business-day deadline.

The exact deadline for contract signature and provision of the Acceptable Security will be confirmed at contract award stage, and the contract award letters will clearly state whether the award is linked to another party also signing their contract.

No information set out or referred to in this document shall form the basis of any contract. Any successful Bidder shall be required to enter into the contract, acknowledging that it has not relied on, or been induced to enter into such an agreement by, any representation, warranty, assurance or undertaking save as expressly set out in that agreement.

Please note that if the contracting entity doesn't exist yet and would be set up upon contract award, there will be no additional time granted.

33. Publication of bidder information

By participating in the Voltage 2026 tender all Tenderers consent to publication of details of their Tender Submission regardless of whether they are successful and enter into a Service Agreement or not. This is applicable to both commercial tenderers and Network Owners.

Appendices

Appendix A

ITT Pack - Document Checklist

Table 7

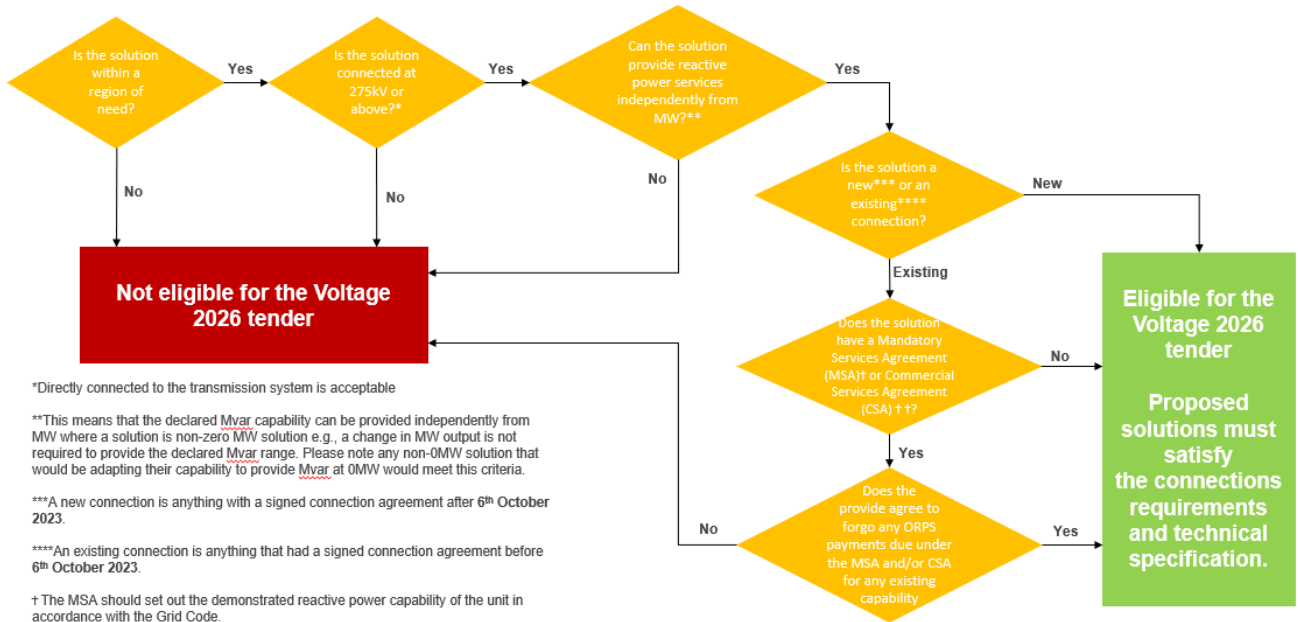
Voltage 2026 – Network Services Procurement	
Document Reference	Tenderer's Required Action
V2026 Invitation to Tender Letter	For information
V2026 Instructions to Tenderers – ITT	This document, for information
V2026 Contract Award Criteria	For information
V2026 Query Log	For query submission
V2026 Technical Specification V3	For information
V2026 Connections Approach V2	For information
V2026 NGET Non-Operational Land Information	For information
V2026 Payment Calculator (Illustrative) V2	For information
V2026 Reactive Power Service Agreement <ul style="list-style-type: none"> • General Terms & Conditions V2 • Contract Form V2 	For information
Acceptable Security ESO Drafts <ul style="list-style-type: none"> • V2026 Letter of Credit Template • V2026 Parent Company Guarantee Joint & Several • V2026 Parent Company Guarantee Standard 	For information
V2026 NGET Connections Feasibility Report	For information
V2026 Technical Submission Proforma V2	For completion and return (market participants only)
V2026 Commercial Submission Proforma V2	For completion and return (market participants only)
V2026 Tenderer Declaration	For completion and return (market participants only)
V2026 Network Owner SRF form V2	For completion and return (Network Owners only)

Please note these documents may be updated during the course of the ITT stage e.g. V3 of a document might supersede V2 of a document. Bidders should ensure they are using the latest version of tender documents.

Appendix B

Eligibility Criteria

Eligibility Criteria for Voltage 2026



*Directly connected to the transmission system is acceptable

**This means that the declared Mvar capability can be provided independently from MW where a solution is non-zero MW solution e.g., a change in MW output is not required to provide the declared Mvar range. Please note any non-0MW solution that would be adapting their capability to provide Mvar at 0MW would meet this criteria.

***A new connection is anything with a signed connection agreement after 6th October 2023.

****An existing connection is anything that had a signed connection agreement before 6th October 2023.

† The MSA should set out the demonstrated reactive power capability of the unit in accordance with the Grid Code.

†† The CSA should set out the total reactive power capability of the unit.

Glossary

Table 8

Term	Explanation/Definition
ESO	National Grid Electricity System Operator Ltd
Tender	The end-to-end sourcing process for Voltage 2026 requirements from EOI through to Contract Award
Expression of Interest (EOI) stage	The window of time for companies to express their interest in participating in the Voltage 2026 tender process
EOI Pack	Collation of documents published by ESO at the EOI stage.
Invitation to Tender (ITT) stage	The window of time for any company that expressed their interest to develop their tender submission, ending with the tender submission deadline
ITT Pack	Collation of documents published by ESO at the ITT stage. The full ITT Pack will only be made available on the Ariba platform.
Tender Submission	The overall proposal (both technical and commercial) made by a bidder in response to the Invitation to Tender. May include multiple solutions.
Network Owner	Any Transmission Owner e.g., NGET who might participate in this tender
OFTO	Any Offshore Transmission Owner
Market participant	Any third-party commercial entity who might participate in this tender
Bidder/Tenderer	A generic collective term to refer to all Network Owners and market participants who may take part in this tender. Might be used interchangeably.
Provider	Used to refer to whichever company is successful and contracted for provision of the reactive power service when referring to their obligations within the technical specification or the contract. Please refer to the contract for an exact definition.
Solution	Any one asset or group of assets connected through one connection point/bay being proposed as a solution to the Voltage 2026 requirement E.g.: A 200Mvar reactor connecting at Eggborough 400kV. A change to the asset, or connection point would represent a completely new and different solution. E.g: Solution 1: a 200Mvar reactor connecting at Eggborough 400kV, Solution 2: a 100Mvar reactor connecting at Eggborough 400kV
Facility	The term used to refer to the asset that is enabling the provision of the reactive power through a contract, which a Provider is responsible for. Please refer to the contract for exact definition.
Independent	When two or more proposed solutions can be delivered independently on one another
Mutually exclusive	When only one solution out of two or more proposed solutions could be selected and therefore are mutually exclusive.
Efficiency group	When multiple independent solutions could be offered for a price efficiency if all solutions were selected
Zero-MW (0MW) solution	A solution which can provide reactive power, without the capability of injecting or absorbing active power in steady-state condition, excluding any intrinsic operational losses, e.g., reactors, synchronous compensators, SVCs, and STATCOMs.
Non-zero-MW (non-0MW) solution	A solution which can provide reactive power, with the capability of injecting or absorbing active power in steady-state condition beyond any intrinsic operational losses, e.g., generators, batteries, and wind farms.