



Constraint Management Intertrip Service (CMIS) EC5-Enduring

Expression of Interest (EOI) stage: Industry presentation

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1. Introduction: Constraint Management Intertrip Service (CMIS) (formally known as the Constraint Management Pathfinder)

CMIS EC5-Enduring Tender

The CMIS EC5-Enduring tender aims to reduce network congestion costs in the East Anglian (EC5) region by building post-fault intertrip links between generation across the EC5 region and the East Anglia Operational Tripping Scheme (EAOTS). By doing so, the Electricity National Control Centre (ENCC) can facilitate more power to flow on the existing transmission infrastructure pre-fault, thus reducing the amount of generation being curtailed pre-emptively when the expected flow exceeds the current capability of the circuits.

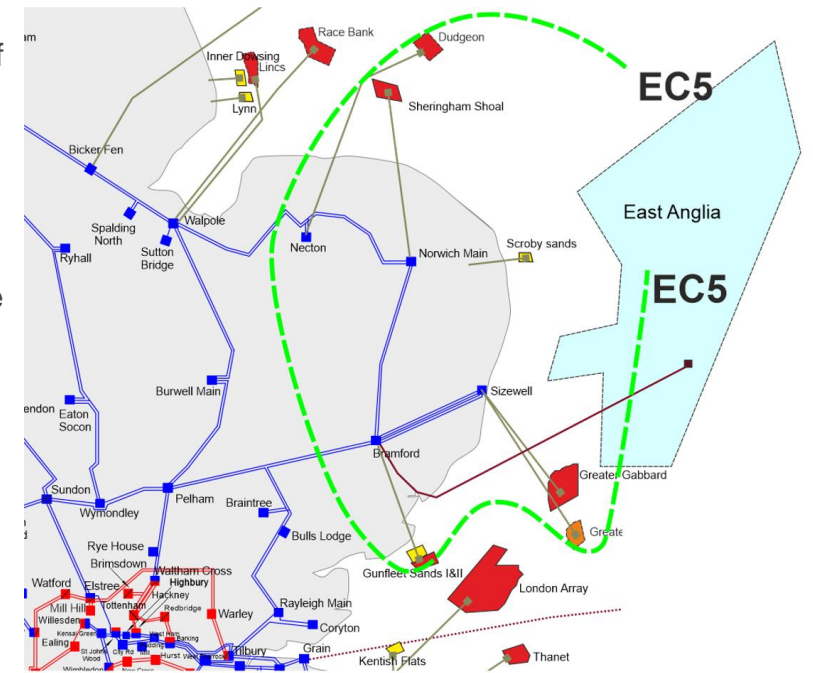
Previous CMIS Projects

The ESO has already successfully awarded two previous CMIS tenders that are easing congestion across the B6 Anglo-Scottish boundary. The first of these contracts went live in April 22 and succeeded in saving the consumer **£80m** in constraint costs and 140kt of CO2 in the first 10 months.

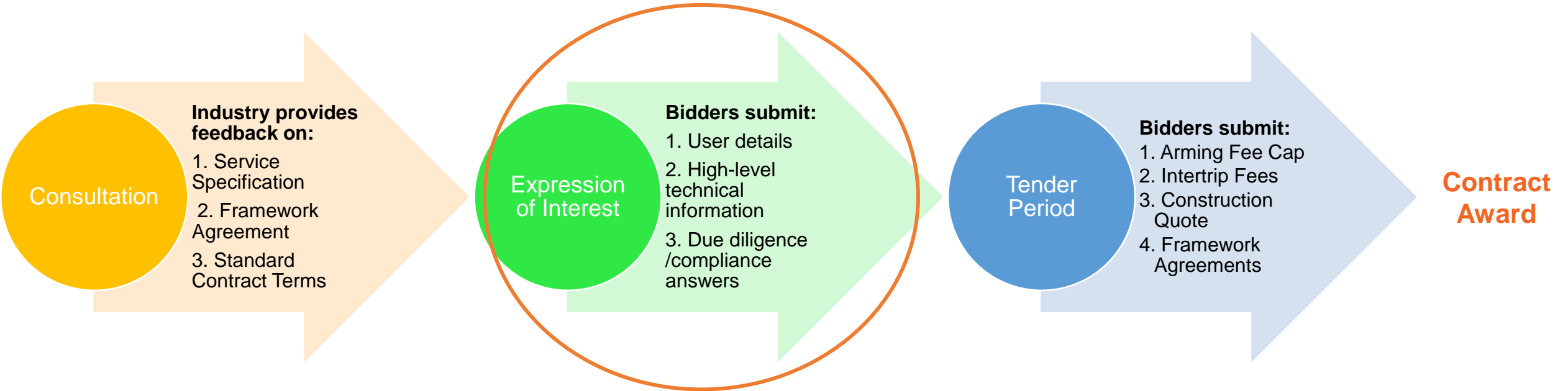
Additionally, as the CMIS EC5-Enduring service is planned to begin in April 2025, the ESO is currently tendering for an early start 'interim' EC5 service that is expected to start service in early 2024 (until March 2025) and is available to Users that already have a connection to the East Anglia Operational Tripping Scheme.

CMIS EC5-Enduring: Expression of Interest

Following the completion of the Consultation stage, feedback that was received has been used to update various EC5 CMIS documents. The current Expression of Interest stage is open to any potential bidders that wish to participate in the EC5 CMIS tender. Potential bidders **must** submit an Expression of Interest if they are considering submitting a Tender for this service.



2. Tender Procedure



3. Consultation Feedback Summary

As part of the Consultation phase of the CMIS EC5-Enduring Tender, we asked for feedback from the industry. This feedback, and the ESO responses to this feedback have now been published as a document entitled “7. Consultation – Industry feedback and responses” on the ESO website.

Please use this [Link](#) to view this Consultation feedback on the ESO website under "EC5 Constraint Management Intertrip Service" - "CMIS EC5-Enduring documents"

4. Expression of Interest (EOI) Submission

This EOI invites all prospective participants to declare an interest in tendering for the CMIS EC5-Enduring, but does not commit parties to progress to the next stage of the tender process. However, parties looking to participate in the next stage of the tender process must populate and return an EOI submission proforma with all necessary details completed on the form. The EOI submission will need to include responses to basic due diligence/compliance questions and high-level technical questions found on that form.

The Expression of Interest stage includes the following documents which are available on the ESO website [here](#)

Document	Explanation
1. CMIS EC5-Enduring: EOI Letter	This letter introduces the CMIS EC5-Enduring Expression of Interest.
2. CMIS EC5-Enduring: EOI Presentation	This presentation, which provides the background and the rationale behind the CMIS EC5-Enduring.
3. CMIS EC5-Enduring: Service Specification	This document aims to provide interested parties and prospective participants with the details of the CMIS EC5-Enduring . This includes the rationale and background of the service, as well as the commercial aspects and the technical requirements of the service.
4. Draft Framework Agreement	This document is the umbrella agreement that technically feasible assets will be invited to sign. It sets out the details of the provider and their asset but does not alone enable the ESO to utilise the asset for the service. It is the subsequent tender process (outlined in the draft Service Specification) that determines which assets are connected to the intertrip scheme for the CMIS EC5-Enduring.
5. Draft Standard Contract Terms	This document displays the proposed Terms and Conditions for the service. Please note, these Standard Contract Terms are specific to the CMIS EC5-Enduring.
6. CMIS EC5-Enduring: EOI submission Proforma	This file should be populated by parties that wish to declare an interest in submitting a tender for the service. This needs to be returned to the ESO using the information provided in the section below.
7. Comparison of Standard Contract Terms	This documents displays any changes made to the Standard Contract Terms document since the publication of this document on the ESO website at the beginning of the Consultation phase.

Expression of Interest (EOI) Submission

Please populate the [CMIS EC5-Enduring EOI Proforma](#) with all the necessary details completed on the form, and send to box.cmis@nationalgrideso.com by **Friday 16th February 2024.**

5. Expression of Interest (EOI): High-Level Technical Evaluation

Compliance and Technical Evaluation

- Bidders are now invited to submit an Expression of Interest (EOI). The EOI submission will need to include responses to basic due diligence/compliance questions and high-level technical questions. These questions can be found on the EOI Proforma document.
- The ESO will then evaluate the responses through ESO/TO Feasibility Studies. These will assess whether the bidder passes the basic due diligence/compliance questions and if they meet the high-level technical requirements to join the CMIS EC5-Enduring.
- These ESO/TO Feasibility Studies will check whether the User meets these key points, which include (but are not limited to):
 1. Registration (or will be registered) with the ESO Balancing Mechanism system as non-aggregated BMU Unit(s)
 2. The fast speed to receive intertrip signals from the Transmission Owner
 3. Two high-speed telecommunication channels from intertrip central controllers to remote receiving terminals
 4. An available East Anglia Operational Tripping Scheme connection by April 2028
 5. An EAOTS remote intertrip device/terminal available for the User to connect to
 6. Mitigations for any impact on other parties/intertrip schemes

6. Tender Period

Tender Submission

- Those that pass the Expression Of Interest stage will be notified that they can proceed to the tender period of the process, where they will be invited to submit:
 1. The CMIS EC5-Enduring Framework Agreement for signature (which is submitted separately to the tender using DocuSign)
 2. Their commercial tender bids i.e. Arming Fee cap and Intertrip Fees
 - Arming fee (£/MWh)
 - Intertrip fee (One off payment):
 - Bidders must provide a Tripping Fee (£/trip)
 - Optional de-load fee (£/de-load)
 3. A Construction Quote to connect to the East Anglian Operational Tripping Scheme, including: proposed solution, project plan, and cost details. A template for this is included in Appendix 1 of the Service Specification document.

7. Tender Evaluation: Two-Stage Approach (1/2)

Stage 1: The Construction Quote

The Construction Quote will be evaluated against whether it meets the following criteria:

- The requirements of the Service Specification.
- The achievability of the Project Plan.
- The justification/reasonableness of the costs.
- The requested detail has been provided.

The ESO may also request further information and/or resubmissions to clarify the Construction Quote. The decision of whether these criteria have been met is at the ESO's sole discretion and if the ESO determines that one or more of the criteria have not been met, then the User may be removed from the tender process.

Please note, the ESO intends to reimburse costs incurred by generators to connect to the East Anglian Operational Tripping scheme once the connection works have been completed, subject to the ESO receiving appropriate invoices detailing the works completed, and that the provider demonstrates the capability of the connection is as per the requirements detailed in the Service Specification. This approach is currently being reviewed and will be intend to confirm our approach by early April, prior to the launch of the 'Invitation to Tender'.

7. Tender Evaluation: Two-Stage Approach (2/2)

Stage 2: Commercial Assessment

The ESO has a base requirement to procure 2.4 GWs for the CMIS EC5-Enduring, at the lowest overall cost to the consumer.

The ESO shall determine the lowest cost bidders by calculating each Users 'User Offer' (£/MWh) and then ranking these User Offers in order of cheapest to most expensive. This is done by adding:

- the Users normalised fixed costs (e.g. connection costs)
- the arming fee (£ per MWh)
- the normalised Intertrip fee (£/trip).

Please note:

- The formula for the 'User Offer' and the detailed breakdown of the formula is provided in Section 3.3 of the Service Specification.
- The Arming Fee provided by each User in the Tender process shall act as their Price Cap, meaning it cannot be increased above the price cap during the first year of the service term, but can be decreased during the year to encourage ongoing competition.
- The Intertrip Fees provided by each User in this process are fixed for the first year of the service term, meaning they cannot be changed at all from the tender submitted prices for the year.
- Contracted Users will be able to submit new Arming Price Caps and Intertrip Fees on an annual cycle, once they have provided the service for at least 12 months (see Section 1.3 'Yearly Fee Resubmission' of the Service Specification for details).

8. Tender Evaluation: Contract Agreement

CMIS EC5-Enduring Framework Agreement

- Bidders will be required to submit a signed Framework Agreement at the same time as their tender submission.
- The CMIS EC5-Enduring Framework Agreement will set out details of the provider and unit but does not in itself enable the ESO to use the unit on the CMIS EC5-Enduring.
- Instead, the outcome of any tender events shall determine the successful Users to be connected to the CMIS EC5-Enduring and be utilised during the service term.
- At the point of being notified of the tender outcome, successful Users will be bound to the CMIS EC5-Enduring Contract Terms.

CMIS EC5-Enduring Standard Contract Terms

The CMIS EC5-Enduring Contract Terms will set out the details of the service, such as payment terms, the service terms, utilisation etc.

Please note:

- The contract service term will run from April until March each year on a rolling basis (i.e. a 12 month rolling contract period).
- The ESO will notify Providers of their intention to either extend or end the service at least 3 months ahead of the year's end of service term.
- The ESO will run yearly fee resubmissions, which will enable the awarded participants of CMIS EC5-Enduring to resubmit the caps for arming and intertripping fees for the following year's service.

9. Indicative Timelines & Tender Process

Project	Stage	Start	Finish
EC5-Enduring Tender: Indicative Timing	Expression of Interest (EOI)	22 nd Jan 2024	16 th Feb 2024
	Framework Agreement Signed	2 nd May 2024	21 st Aug 2024
	Commercial Tender & Construction Quote	2 nd May 2024	21 st Aug 2024
	Contract Award	Oct/Nov 2024	

Please note, these dates are indicative and may be subject to change