

Electricity System Restoration (ESR) Competitive Procurement Event

FAQs

Executive summary

During the Request for Feedback period on previous tenders ran by the ESO we answered several questions from potential participants. To ensure equal access and to information and to support Tender participants we have included the ones still relevant below. We have also included all questions that were asked during the Market Engagement Webinar held on the 5th of May. During the tender this will be replaced by a formal clarification submission process.

Questions and Answers

*Questions marked with 'W' were asked during the Market Engagement Webinar and relevant to the SE Tender.

*Questions marked with 'G' are generic to this tender and have been asked during the Distributed ReStart project.

*Questions marked with 'P' were asked during tenders that we have ran previously and are still relevant.

Ref	No	Question	Response
W		Given that the terms and conditions for all restoration service providers has to be approved by the Authority how is it possible for those T&Cs to be different for Transmission compared to Distribution as mentioned a few moments ago (circa 10:12)	It was mentioned in the GC0148 Grid Code Consultation but will now be picked up in the Electricity System Restoration Standard Work in Grid Code Mod GC0156. In essence a provider will need to meet the Terms and Conditions as provided for in the EI Emergency and Restoration Code which we are aware of and as discussed in the GC0148 Workgroup and the ESRS Workstreams
W		You mentioned at the start of the call that there has been a fundamental change to the technical requirements – However, can you please confirm that the Technical Requirements (for all successful respondents to this South East tender) includes all providers (at both Transmission and Distribution) needing to fully comply with the following (Grid Code) requirements in BC2, BC3, OC6, OC7, OC9, CC/ECC.6 and, in particular, the Re-energisation procedure (OC.9.2.5, OC.9.4.7) Re-synchronisation procedure (OC9.4.7, BC2.9.2.2(iii)) and Frequency deviation management (BC3.4, BC.3.5, BC3.6, BC3.7 BC2.5.4).	<p>One of the remits of the GC0148 Workgroup was to consider how non-CUSC parties would fall under the framework of the EU Emergency and Restoration Code which also entails the Terms and Conditions. The terms and conditions refer to many of the Grid Code clauses which was mentioned (see attached link - https://www.nationalgrideso.com/document/160021/download)</p> <p>As part of the GC0148 work we have stated that Non-CUSC Parties that we (the ESO) have a contract with to provide a defence or restoration service would be caught by the terms and conditions and would have to meet the applicable requirements of the Grid Code).</p> <p>Furthermore, all contracted Restoration Service Providers will have to comply/deliver against the published requirements for this Tender, regardless of their point of connection (Distribution or Transmission Voltage Level).</p>

Ref	No	Question	Response
W		Given the legal compliance obligations in terms of the Technical Requirements listed in the question above, can you please confirm that non-compliance with those Technical Requirements (for Transmission and Distribution connected projects) will be a FAIL for the tender submission.	All contracted Restoration Service Providers will have to comply/deliver against the published requirements for this Tender, regardless of their point of connection (Distribution or Transmission Voltage Level).
W		is top up an anchor for Dx connected only?	No - both transmission and distribution connected assets can provide this. <i>Note the concept of Anchor Plant only applies to D Connected Plant forming part of a Distribution Restoration Zone. For Transmission Connections they are treated as Black Start Service Providers. Going forward as part of the ESRS work we will need to consider how we can apply similar arrangements (used for Distributed Re-Start) to transmission connections, which is a particular issue in Scotland noting that Transmission is at 132kV. It is possible for an Embedded Generator to be part of an LJRP but in this case it would be under the instruction of the ESO and would not be part of a Distribution Restoration Zone.</i>
W		Can you confirm the exact boundary of the SE tender? Is it the SE DNO boundary?	3 UKPN DNO regions - https://www.ukpowernetworks.co.uk/about-us/areas-we-cover
W		Is there a role for a sync comp?	Yes (<i>especially for inertia and reactive capability</i>)
W		I think we need more time to consult and engage on the Service Terms	Noted and there will be an opportunity for consultation between EOI and F2 stage. Additionally the Distributed ReStart service terms are being consulted as part of the Grid Code GC0156 working group.
W		Will renewable/decarbonised assets have priority in the tender?	No
W		Will the ESO consult on the tender evaluation method?	Yes, further information will be shared during the EOI stage
W		If a provider can export to either the DX or TX systems, how will this be evaluated?	This will be evaluated during the technical assessment. Further information will be shared at EOI stage
W		Can the ESO provide a feel for how it will value the Full-Service vs Anchor vs Top Up services? Presumably the Full Service is more valuable than Anchor and Anchor more valuable than Top Up? What is the magnitude?	There will be three separate stacks which will be independently assessed during the tender evaluation.

Ref	No	Question	Response
W		Will the ESO put more weight in its technical scoring on assets providing fuel type diversity i.e., not gas?	Yes, further information will be shared during the EOI stage
W		The ESO mentioned the technical requirements are limited to just 'full service' providers. However, the technical requirement obligations are not differentiated like that - it says it applies to ALL restoration service providers (rather than being limiting just to 'full' restoration service providers)?	These requirements are targeting potential Restoration Service Providers interested in providing an enhanced service to assist Great Britain's Restoration and, if successful under this Tender, be awarded a Contract to that end.
W		Under the GC, aren't user obliged to do the role of Top-up if Emergency Instructed by ESO?	Any CUSC Party will be caught by the requirements of the Grid Code including the requirements of the Balancing Codes (BC2.9 refers to Emergency Instructions). As a CUSC party they will also have obligations in following instructions issued by the ESO including those under a Black Start condition and under the subsequent restoration phase. As part of Distributed Re-Start work, the use of Top Up Services has been discussed and more widely as part of the Electricity System Restoration Standard work. These issues will be discussed more widely as part of the ESRS work which is being progressed through Grid Code modification GC0156.
G		How will the assessment work between the different categories especially Full Service and Distribution Restoration?	We have outlined the assessment criteria for this tender in Appendix 1 Technical requirements document. We will assess the four categories that providers can bid for, in their own merit stacks and then depending on other rules of play like having a feasible Distribution Restoration Zone (DRZ) for Distributed ReStart type projects, the four category stacks, will be combined to highlight the final shortlist.
G		How will providers know if their bids can form a feasible DRZ or not?	<p>An early indication of providers in a potential DRZ will be known after the EOI bids are assessed. Potential DRZ providers will be moved along to the Feasibility Study stages based on the merit of their applications. However, the final outcome of a DRZ and the parties included, will be sensitively confirmed at contract award.</p> <p>If a DRZ is not possible based on the combination of potential bids, providers will be informed and if there are other options that could work instead, these will be discussed before the application moves along to the next stage of the tender process.</p> <p>As part of the recommendations from the Distributed ReStart project is for the relevant parties in any given DRZ to be part of a 'working group' to remain updated and involved in the contracted period.</p>
G		What happens if one service in a DRZ is impacted and not available, how does this affect payments and availability during a restoration event?	Once you are contracted as an Anchor Generator or Top-up service, you'll receive your availability payments as per the contract. In the event of a power outage, if for any reason one or more party in the DRZ is unable to comply, the DRZ

Ref	No	Question	Response
			<p>will not be selected to provide restoration service for the event.</p> <p>If it is a prior known reason for the non-compliance, like a planned outage, there will not be any penalties for the generator in question.</p> <p>More about the events of default are covered in the sample contract terms attached in the EOI files.</p>
G		How do I get paid in the event of a blackout?	Like as it happens currently. There is a process for generators to get cost recovery of any fuel utilised by their asset to provide restoration. This process is covered in the Balancing and Settlements code.
P		The technical requirements have changed, and auxiliary units now need to be capable of 72 hours 'continuous' supply. Does this rule out storage?	<p>This requirement is driven by the need to support longer term restoration along with the need to ensure a resilient system when at the initial stages of restoration.</p> <p>We won't rule out any solutions based on technology type. We would encourage providers to submit an EOI if they can propose a solution that meets the requirements.</p> <p>For example, if a provider has a method of maintaining charge on a battery, so that it could be used as an auxiliary unit at any point for up to 72 hours after an instruction, we will welcome an EOI submission.</p>
P		Will submissions that deviate from the technical requirements be allowed?	<p>We want to remove or minimise barriers to entry and are proposing to consider EOI submissions where the provider can meet almost all of the technical requirements. Where this is the case, EOI submissions are not guaranteed to be accepted, and it will be at the discretion of ESO assess whether the provider would be able to contribute to a restoration.</p> <p>Where applicable, reduced capability will be scored appropriately in the technical assessment (and may be given a zero score for that section).</p>
P		We note that the block loading requirements have been revised, can you provide the context for this?	<p>The block loading requirements have been revised to:</p> <ul style="list-style-type: none"> - Reflect the current capability of DNOs to switch in smaller sections of network. - Reduce risk to plant - Reduce/remove barriers to entry
P		Is there a standard contract duration or is it up to the bidder to propose? If so, what are the parameters?	<p>The contract duration will be standard, though if a provider can commence the service earlier, we invite them to notify us during the tender, and if efficient to do so, they may be able to extend their contract forwards.</p> <p>We are currently considering 5 years for the contract durations.</p>
P		How is shutdown defined with respect to the 2 hour restart time? Is the time from a blackout or from the point a station can safely shutdown systems?	As per the Grid Code Definition, this is "... the ability to Start-Up from Shutdown and to energise a part of the System and be Synchronised to the System upon instruction from The Company, within two hours, without an external electrical power supply".

Ref	No	Question	Response
P		Is the funding cap across both F1 and F2 studies?	As per the current process, the provider is expected to fund the F1 study themselves.
P		What happens to the tender process if there are less bids than demand?	We will know at EOI stage how many tenderers to expect and will be able to assess then, however, we don't expect this to be the outcome
P		What information on tender responses will be published during the process?	We won't disclose any information that could identify a ESR provider, but will aim to publish information about awarded contracts, for example, technology types, total MWs, total cost etc.
P		How will the feedback on the commercial submissions work in practice? Will there be a chance for resubmission of a Best and Final Offer?	We will aim to share feedback on total costs and may employ a third party to scrutinise designs and capital costs. We are currently proposing that there will be the opportunity to resubmit the commercial element after clarifications - all providers will be given the same opportunities.
P		Is it expected that all capital costs will be recovered through the commercial offer, or can this be defined by the bidder?	We expect the capital costs to be open book, and to be recovered based on invoice evidence. Capital costs should not be recovered through the availability fee. If the provider does not wish to recover all of the capital costs (for example, will partially recover via another revenue stream), they should still state the full costs of all associated works in the commercial submission for review.
P		We have previously done a F1/F2 Scope/F2 study that you approved earlier in the year; can you confirm it is still valid?	If you wish to participate in the tender and have already completed one or more steps of the process, please notify us with your EOI, ESO will formally respond to confirm the validity of your study. We will minimise rework as far as possible.
P		Will I be able to ask technical queries confidentially?	Yes, you will be able to use the query form and mark your query as confidential. ESO will provide comment where we can but will not input into or steer decisions. Queries submitted marked as confidential will be reviewed, if ESO does not agree that it is appropriate to respond bilaterally, we will notify the tenderer that we will anonymise the answer and publish it and will give the tenderer the option to retract their question.
P		I've already completed an F2 which I think will be valid. I think I could offer a better value solution in line with the revised technical requirements, but this would need design rework. Can I request funding for further design rework?	Please notify us within your EOI. ESO will assess whether further funding for rework is justified, and if so, you will be asked to submit a scope for the additional work by the F1/F2 scope deadline. ESO will have no obligation to accept requests for further funding and will reject proposals for work that could create a competitive advantage.
P		Will the tender programme be impacted if another tenderer falls behind?	The timeline will be fixed, and ESO will ask all interested parties to commit at EOI stage to meeting it. The overall timeline will not be impacted if one tenderer does not meet it.

Ref	No	Question	Response
P		Are batteries able to participate?	Anyone can participate providing the technical requirements are met. It's possibly unlikely at the moment that batteries could meet the requirements of a full service on their own but may be able to enter through the combined service route, or through one of the other categories within the tender.
P		What exactly is the definition of Sequential Start-ups?	Following a ESR event and during the re-instatement period the Power Island created by a ESR Service Provider may collapse. The expectation is that a ESR Service Provider will be capable of, consecutively, re-starting and re-establishing the collapsed Power Island a minimum number of times (3).
P		Where will the Request for EOI be published?	Currently, new information and updates will be uploaded onto the website for now.
P		Who will pay for conducting the F1 & F2 studies?	The F1 is a short study that we aim to streamline with our submission template, and is a summation of current knowledge, we expect the tenderers to cover the costs. Subject to an approved F1 and F2 scope, and once contractualised in a formal agreement, ESO will fund the F2 report up to a cap of £150,000 for a primary service, which will be reimbursable following completion of the study (including responses to clarifications) and following submission of invoices and evidence of costs incurred.
P		Is there the ability to develop multiple technologies in the tender process and ultimately make two (mutually exclusive) separate commercial proposals on different technologies? This would increase development costs; would these development costs be recoverable under separate or a common funding cap?	We have provided the assessment criteria that we will use to assess each bid. There is no reason a provider deciding between two bids could not also use the assessment criteria to score each of their proposals. We expect providers to submit their most valuable offer per category and will only accept one proposal on behalf of an asset/site/entity.
P		Is it possible to submit multiple assets at one site e.g., a battery starting up a diesel generator?	Providing the site can meet the technical requirements, <i>how</i> they are met is up to the provider.
P		Are we able to meet the requirements by aggregating services? If this is a yes, then would they need to be in the same location?	Aggregated submissions will also be considered, providing the contracted Service is delivered and can meet the technical requirements at one point of delivery.
P		What information on tender responses will be published during the process?	We will not publish any tender responses or submissions. We will, where possible, publish anonymised metrics that may include total cost, number of contracts agreed, number of participants, technology types, MWs etc.
P		How would ESO interact with group-parties during this process, when dealing with joint proposals?	We advise that any combined proposal follows a 'lead party' structure, where the lead party is the point of contact, and

Ref	No	Question	Response
			organises any supporting contracts necessary with other parties.
P		How will the status of acquiring required planning permission for potential providers be assessed?	<p>We ask that during the F1 submission, providers are to provide proof of engagement with relevant authorities regarding consents (to be included as part of the submission template).</p> <p>In addition to the evidence provided in the F1, we also ask for evidence of application(s) being made as part of the F2 submission (will also be included as part of the F2 submission template).</p>
P		How will solutions with environmental benefits, such as low carbon technologies, be assessed?	In accordance with our ESR Procurement Methodology, we are technology neutral.
P		What do you mean by 'network assessments' at the EOI stage?	This will be performed by NG ESO in the event that your EOI submission highlights areas of limitation in the technical requirements. ESO will assess whether the specific proposal will still be able to contribute to a restoration when considering the limitation. No action will be required from the provider.
P		Should a potential Service Provider disclose its admissible rate of block loading (example: 20MW every 2 minutes)?	The actual rate will be driven by the providers needs along with the local DNO's switching ability. This will however be detailed/confirmed throughout the F1 & F2 stages (sizes of blocks, time between blocks, any hold points, etc.)
P		Will there be provision to recover costs for testing?	It would not be economical to carry out testing for each proposal at F2 stage. We ask that a Statement of Capability from the OEM is provided as part of the F2, in lieu of pre-contract testing.
P		Is there the ability to drop out of the process following making an EOI?	You can withdraw from the tender process at any point (prior to a contract being signed). We do however ask that you give us notice of this withdrawal. If you would like to withdraw from the process during the F2 study, we advise that you ensure you complete and deliver the study to remain eligible for reimbursement.
P		Is mutual agreement required by both National Grid and the party who is proposing the service in selecting the Study provider?	NG ESO will not approve study providers, but do, as part of the process, agree on a scope of works. We do expect the study provider to have the relevant knowledge and expertise to undertake the study, which is covered in the F2 side letter and terms. The obligation is on the potential provider to ensure the study provider is appropriate.
P		How is extra redundancy valued – multiple units providing the Service compared to a site with only 1 unit?	We require a high service availability ($\geq 90\%$) to cover for planned/unplanned outages. We also ensure that we have sufficient Service Providers contracted within each zone to cover for random faults.