

# Electricity System Restoration (ESR) Competitive Procurement Event

## Wind Tender: Invitation to Tender (ITT) Part 1

### 28 November 2022

National Grid Electricity System Operator (ESO) has introduced a market mechanism for the procurement of Electricity System Restoration (ESR) contracts, in the form of a competitive tender process.

## Background and instructions for completing ITT Part 1

The ESO has an obligation to maintain the capability to restore the National Electricity Transmission System (NETS) of Great Britain (GB) from a full or partial black out event. To do this, the ESO must demonstrate that the ESR capability procured maintains an acceptable level of provision, but at a cost which is economic and efficient.

Alongside region specific ESR tenders the ESO is also holding a one-off competitive procurement event for a nationwide wind tender. This is for services commencing by December 2026 for up to 6.5 years, or by December 2028 for 5 years, or earlier at the discretion of the ESO.

The primary driver for this initiative is the new Electricity System Restoration Standard coming into effect in 2026, which means the ESO will need to restore 60% of demand in 24 hours and 100% in five days. To meet this, the ESO will need to unlock new and existing restoration and resilience services across GB. This will be more possible by tapping into the 50GW of offshore wind generation forecast to connect by 2030.

Following confirmation of eligibility via an accepted Expression of Interest (EOI) submission that met the minimum/mandatory criteria, the ESO now invites successful parties to this next stage of tender.

By participating in this competitive procurement event and making any submissions, you are agreeing to the tender rules.

### Key dates for the wind tender (Revised)

**28 November 2022**

ITT Part 1 tender documents released

**March 2023**

ITT Part 2 tender documents released

**March 2024**

Contract awarded

**By December 2026 or 2028**

Service commencement

## What's inside?

ITT Part 1 contains the information required for the Feasibility Study. The Feasibility Study will be in two parts (ITT1 F1 and ITT2 F2). Submissions must be made during the appropriate submission periods.

Please note that late submissions will not be considered.

ITT Part 1 submissions require the following documents to be submitted:

- ITT1 - F1 Submission Template
- ITT2 - F2 Scope Submission Template

**Please make sure that you read this document and the ones below before you complete the templates above.**

- Appendix 1 - Wind Tender Technical Requirements & Assessment Criteria
- Appendix 2 – Wind Tender Query Form
- Appendix 3 – Wind Tender FAQs

All providers must make a submission for this stage. If a provider already has an approved F1 study, they can submit the previously approved content so long as it is in the ITT1 F1 submission template for the wind tender.

The ITT2 F2 scope of works should include a breakdown of the costs. Providers must minimise these costs as far as reasonably possible, and the costs will be considered as part of the assessment of total costs in the commercial submission for the tender.

**The deadline for submitting the ITT1 F1 and ITT2 F2 scope is 3 February 2023 at 17:00hrs.**

Following assessment of ITT1 F1 and ITT2 F2 scope submissions, the ESO will confirm in writing whether providers have been successful and eligible to move to the next stage. If a provider is assessed to be eligible, and an ITT2 F2 study is required (and the technical scope and budget is approved), providers will be sent an endorsed Feasibility Study Agreement' to sign along with information around the capped contribution from the ESO towards completing the study.

The ESO is under no obligation to accept ITT1 F1 studies if they do not indicate a viable service, and progression to F2 is not guaranteed. Progression to the next stage will ultimately be at the discretion of the ESO.

## Tender rules

1. By participating in this stage, you are agreeing to be bound by the rules of the ESR tender process.
2. A 'provider', meaning one legal entity, may submit tenders for more than one site.
3. The ESO is the lead procurement agent in the ESR process and is responsible for conducting a fair, transparent, and competitive tender event. No provider will be given any unfair advantage through one-to-one engagements.
4. Following success at the ITT F1 stage, commercial bids and detailed feasibility studies are required as part of the next ITT F2 stage.
5. Final contract award at the ESO's discretion, follows assessment of the ITT2 F2 submissions.
6. The providers who are awarded contracts are expected to deliver the service by December 2026 or 2028, maintain their Restoration capabilities and to deliver the service until December 2031 or December 2033. Following successful completion of project build stage and commissioning test, providers may be incentivised to start earlier at the ESO's discretion.
7. By submitting a tender response in connection with this 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.
8. Information that is supplied to potential providers as part of this competitive procurement event is supplied in good faith. The information contained in the tender documents, 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.
9. Potential providers are responsible for analysing and reviewing all information provided to you as part of this competitive procurement event and for forming your own opinions and seeking advice as you consider appropriate.
10. You should notify the 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 this competitive procurement event through the query process.
11. The ESO retains the right to amend the ITT requirements, or timescales at any time prior to the tender submission deadline. Prior notice will be issued to all potential suppliers to ensure they have reasonable time in which to

take such amendment 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.

12. A tender response or any other document submitted 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 the 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.
13. 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.

14. By submitting a tender, you consent to your detailed feasibility studies (F2) submission potentially being shared with a third party for verification during tender evaluation.
15. 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 ITT2 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.
16. The ESO is not bound in any way to enter any contractual or other arrangement with you or any other potential provider.
17. The ESO reserves the right to terminate, suspend, amend, or vary (to include, without limitation, in relation to any timescales or deadlines) this 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).

## Systems and communications

For the ITT1 F1, all documentation will be sent via email and instructions for submitting back will be indicated in the email. Secured zip files emailed to the ESO directly will be acceptable.

## Submission of Queries

Please submit any questions you have using **Appendix 2 – Wind Tender Query** Form via email titled 'Tender Query' and send them to

[manpreet.patel@nationalgrideso.com](mailto:manpreet.patel@nationalgrideso.com) and CC [roopkamal.phull@nationalgrideso.com](mailto:roopkamal.phull@nationalgrideso.com)

Queries will be anonymised before any responses are circulated. If you believe your query is confidential, please state this on the query form along with your justification.

Where the ESO does not agree that a query should be confidential, they will present two options to the provider, either for the response to be shared, or for the provider to withdraw the question. The ESO will

aim to meet a turnaround time of 10 working days for all queries received.

The deadline for all queries is 10 working days before the submission deadline.

## Next Steps

To participate in the ITT F1 please download and complete the following documents and submit them via email back to the ESO by 1700hrs on 3 February 2023 via [manpreet.patel@nationalgrideso.com](mailto:manpreet.patel@nationalgrideso.com) and CC [roopkamal.phull@nationalgrideso.com](mailto:roopkamal.phull@nationalgrideso.com)

- ITT1 - Feasibility Study 1 Submission Template
- ITT2 - F2 Scope Submission Template

**Please note all tender submissions must be made using the templates provided else they will be deemed non-compliant**

## Purpose of the ITT tender documents

Document	Purpose of Document	Action
ITT1 - Feasibility Study 1 Submission Template	<p>This document is required to be complete and submitted</p> <ul style="list-style-type: none"> <li>ITT F1 should summarise the known information about the plant, and its capability or potential to provide a ESR Service. Full instructions are provided at the front of the document.</li> </ul>	For mandatory completion and to be submitted back to the ESO
ITT2 - F2 Scope Submission Template	<p>This document is required to be complete and submitted</p> <ul style="list-style-type: none"> <li>Please complete all sections within this document</li> <li>Will include details of the works required to prove the Restoration capability of the plant, along with details of associated costs.</li> <li>ITT2 F2 scope of works should include a detailed breakdown of the costs for the study only. Providers must minimise these costs as far as reasonably possible.</li> </ul>	Read ahead of filling in any information
Appendix 1 – Technical requirements and assessment criteria.	<p>Use this document for:</p> <ul style="list-style-type: none"> <li>Understanding the technical requirements and related parameters, why they are important to the service and why they are set at the agreed limits</li> <li>Understanding the assessment criteria, a high-level summary of the proposed feasibility assessment process and some of the contract principles</li> <li>The information contained in this document is still a work in progress and will be updated following feedback.</li> </ul>	Read ahead of filling in any information
Appendix 2- Wind Tender Query form	<p>Use this document for:</p> <ul style="list-style-type: none"> <li>Any provider queries during the event.</li> </ul>	Can be completed and sent to the ESO at any point during the tender process
Appendix 3 – Wind Tender FAQs	<p>Use this document for:</p> <ul style="list-style-type: none"> <li>Collating all questions &amp; answers during each stage of the event. This will be a live document so please keep up to date with it and ensure you review this prior to submitting a query.</li> </ul>	Read ahead of filling in any information



## Wind tender procurement timelines



Stage	Date	Detail
Invitation to tender	28 November 2022	The formal invitation to tender will be released to all providers who have met the EOI submission deadline and accepted and met the minimum/mandatory criteria. At this stage, all other tender documentation will be available, and the feasibility process will commence.
F1 and F2 scope submission period	28 November - 3 February 2023	<p>The first stage of the tender requires submission of the F1, along with a scope of works for the more detailed F2. The F1 should summarise the known information about the plant, and its capability or potential to provide a service that meets the technical requirements of one of the service categories.</p> <p>In parallel to the F1 report, a scope of work for the F2 (F2 Scope) should be produced. The F2 Scope will include details of the works required to prove the Restoration capability of the plant, along with details of associated costs.</p>
F1 and F2 scope deadline	3 February 2023	All documents must be submitted by 5pm, submissions made after this may not be considered.
F1 and F2 scope assessment period	February to March 2023	<p>After reviewing the providers who meet the agreed standard outlined in the assessment criteria and receive budgetary approval will proceed to the next stage of the tender. This will be formalised with a side letter contracting the terms of the agreement, and an instruction to proceed with the F2.</p> <p>The full requirements for the F2 will be detailed in the F2 outline document, available to review during this period.</p>
F2 and commercial bid submission period	20 March 2023 to 1 December 2023	<p>The F2 report will be accompanied by a technical and commercial bid submission which combined will form the tender submission.</p> <p>The F2 report itself should sufficiently prove that the provider's plant does have Restoration capability or will have Restoration capability subject to proposed changes detailed in the report. As with the F1, if confirmed in their EOI acceptance that a previous study is satisfactory, there will be no need to duplicate this work.</p> <p>The ESO can make a capped contribution of up to £150,000 towards the F2 studies, which will be contractually agreed with a side letter.</p> <p>Providers are expected to minimise these costs to reduce the impact on the end consumer and will only be reimbursed for costs once invoices and supporting</p>

Stage	Date	Detail
		<p>evidence of costs incurred are received and validated by the ESO.</p> <p>Costs will be reimbursable following closure of the F2 assessment period and following satisfactory responses to all clarifications being issued by the ESO during the assessment period.</p>
F2 and commercial bid deadline	1 December 2023	All documents must be submitted by 5pm, submissions made after this may not be considered.
Tender evaluation and clarifications	December 2023 to February 2024	<p>Following tender submission, all tenders will be reviewed, and technical clarifications specific to tendered information will be issued to individual providers.</p> <p>These clarifications will be documented as each submission is reviewed, but issued to all tenderers at the same time, to ensure no advantage is gained. All tenderers will be given the same amount of time to respond to clarifications on their tenders.</p> <p>During this period, feedback will also be given on the commercial submissions, and tenderers will be given the opportunity to provide clarification and refine their submission. All tenderers will be given equal opportunity and time to do so.</p>
Contract award	March 2024	Contract/s will be awarded, and decision will be communicated to tenderers. Post-award, the ESO expects to publish elements of the outcome of the tender, potentially including MW volume, technology type and price, in line with security requirements, the owners of the awarded contracts will not be revealed.
Build/Install	April 2024 to December 2026 or 2028 depending on service commencement option selected	<p>At the discretion of the ESO, additional time for construction of assets can be agreed prior to service commencement.</p> <p>Where a provider can deliver a service ahead of the planned deadline without incurring excessive cost, they should notify us within their submission, and where possible and economic, the ESO may be able to agree an earlier target commencement date.</p>
Service commencement	By December 2026 or 2028	Once construction has completed, the ESR contract will commence following successful completion of a commissioning test.
Assurance activities	Ongoing	Based on contract terms, providers will be subject to routine ESR tests which are scheduled normally every three years.
Service expiry	December 2031 or 2033	Providers will be contacted before the final date.