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Instructions to Tenderers: Invitation to Tender (ITT) Stage

Long-term 2029: Stability, Voltage and Restoration Services

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Version Control

| Version | Description | Date |
|---------|---|-------------------|
| V1 | Initial publication. Instructions to tenderers at EOI and consultation stage of the Long-term 2029 tender. Subject to amends/updates at ITT stage. | 24 March 2025 |
| V2 | Instructions to Tenderers at ITT Stage of the Long-term 2029 tender. This version contains additional guidance and reflects the progression to the next stage of the tender. This version also reflects changes to the Stability Requirements. | 16 July 2025 |
| V3 | Updated version of the Instructions to Tenderers document published during the ITT Stage. This version clarifies some details / tender rules in Section 16 and Section 30 of this document following receipt of tender queries. Typo corrects have also been made. Updates/clarifications have been flagged by the 'V3' indicator. | 12 September 2025 |
| V4 | Updated version of the Instructions to Tenderers document published during the ITT Stage. This version updates Section 3 and Section 4 to clarify the tender timelines following NESO's decision to extend the tender submission deadline to 1 May 2026 (12pm midday). | 17 October 2025 |
| V5 | Updated version of the Instructions to Tenderers document published during the ITT Stage. This version updates Section 1, Section 3 and Section 4 to clarify the tender timelines following NESO's decision to extend the tender timelines. | 22 May 2026 |

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This document has been prepared by National Energy System Operator (NESO) and is provided voluntarily and without charge. Whilst NESO 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 NESO 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.

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 NESO 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.

Delay, cancellation, and/or suspension of tender events

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

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1. Introduction

On behalf of National Energy System Operator (NESO), 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 **Long-term 2029** tender (NESO Tender Reference No: WS2113158887).

This tender, referred to as '**Long-term 2029**' or '**LT2029**' herein, is being run as a simultaneous procurement process (bundled tender process) whereby NESO are seeking to procure stability services, reactive power services and restoration services.

Previously, this type of tender would have been referred to as a 'Pathfinder'. This tender represents the first long-term (Y-4) tender under both the Stability Market and the Reactive Power Market. Going forward, in line with NESO's [business plan](#), these types of tenders will be run through the dedicated markets under our 'Network Services' programme.

Please note, whether future long-term (Y-4) tenders will be run as simultaneous procurement processes (bundled tender processes) or as separate tenders for stability, voltage and restoration will be determined on a case-by-case basis according to system requirements and a consideration of factors to allow delivery of solutions.

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. Long-term 2029 Requirements – Summary Information

NESO is looking for solutions that can provide any of the following services in various locations across Great Britain:

- Stability services
 - NESO has requirements for both short circuit level (SCL) and inertia requirements
- Reactive power services
 - NESO has requirements for both dynamic reactive power and static reactive power
 - NESO has requirements for both injection and absorption services
- Restoration Services
 - NESO has requirements for both the anchor (primary) generator service and the top-up service
 - Anchor (primary) providers will have the ability to self-start and meet the full set of technical requirements.
 - Top-up service providers are not expected to have the ability to self-start but can meet some of the technical requirements to further assist restoration.

This tender is seeking solutions that can provide any of these services from **1 April 2029** onwards, with an initial contract duration until **31 March 2040 (V5)**: This is an extension from the initial end date of March 2039).

V2 Clarification: The locational requirements are as follows:

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| | Voltage Service | | Stability Service | | Restoration Service | |
|----------------------------|------------------------------|------------------------|-----------------------|---------------------------|---------------------|---|
| | Region | Dynamic reactive power | Static reactive power | Short Circuit Level (SCL) | Inertia | Anchor and Top-Up Services |
| Scotland | East Scotland | - | - | 700MVA | 10GVA.s | NESO are seeking any proposals that contribute towards meeting the ESR standard across Great Britain. |
| | North East Scotland | - | - | 7,100MVA | | |
| | North Scotland | - | - | 6,400MVA | | |
| England & Wales | North East England | - | - | 6,500MVA | | |
| | Humber | -20MVA | - | - | | |
| | North West England | -350MVA | -50MVA | - | | |
| | Mersey | -120MVA | - | - | | |
| | South Yorkshire | -175MVA / +200MVA | - | - | | |
| | East England | -265MVA / +200MVA | +400MVA | - | | |
| | East Midlands | - | +300MVA | - | | |
| | West Midlands | -230MVA | -150MVA / +400MVA | - | | |
| | London | -175MVA / +200MVA | - | - | | |
| | South East England | - | - | 1,100MVA | | |
| | South Central England | -620MVA | - | - | | |
| | South Wales and West England | -480MVA | -65MVA | 6,300MVA | | |
| South West England | - | - | 3,050MVA | | | |

For a more detailed table including a breakdown of requirements by reference point please see Appendix A.

It is at a bidder's discretion whether they submit bids for any one service or combination of two or three services. Please see **Section 15** for more details on tender rules.

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

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| Topic | Long-term 2029 |
|---|---|
| Requirement | <p>There is a requirement for the following services:</p> <ul style="list-style-type: none"> • Reactive Power <ul style="list-style-type: none"> ○ Dynamic reactive power, and ○ Static reactive power ○ Injection and absorption services • Stability <ul style="list-style-type: none"> ○ Short Circuit Level (SCL), and ○ Inertia • Restoration <ul style="list-style-type: none"> ○ Anchor (primary) service, and ○ Top-up service <p>Please refer to the Technical Specification documents for each service for details on service requirements.</p> <p><u>Bidders can elect to bid in for any of these services based on their capability.</u></p> <p>For example, a bidder can choose to only bid in for the Static Reactive Power service, or they could choose to bid in for both the Dynamic Reactive Power service and the Stability Service. Or they could bid in for Dynamic Reactive Power, Stability and the Top-Up Restoration Service. Please see Section 15 for more details.</p> |
| Service delivery period | <p>1 April 2029 until 31 March 2039, with extension options as defined by the contract.</p> <p>This tender will allow bidders to confirm as part of their tender submission if they can start earlier than 1 April 2029. Whether NESO progresses with a service start date of 1 April 2029 or earlier for these bidders will be subject to the outcome of the economic assessment process. Please see the Contract Award Criteria for more details.</p> <p>This tender will accept bids with later start dates than 1 April 2029, up to a backstop of 31 March 2032 with the same contract end date of 31 March 2039. Please see the Contract Award Criteria for more details.</p> |
| What voltage levels can solutions be offered at? | <p>Solutions must be directly connected to the transmission system. This typically means 275kV and above in England and Wales or 132kV and above in Scotland.</p> <p>For clarity, anyone connecting to the transmission system through direct 132kV connections in England and Wales, tertiary and/or grid park connections would meet this criteria. Please see the eligibility criteria document for more details. To be considered for a contract, any solution proposed must meet all the tender criteria, including the eligibility criteria. See the Contract Award Criteria document for more details.</p> <p>NESO recognise the value that distributed energy resources offer and are motivated to understand how distribution-connected solutions can take part in the long-term market for both stability and voltage. Before this can be facilitated:</p> <ul style="list-style-type: none"> • More work is required with DNOs and DSOs to develop this understanding following the reactive power DNO study work commissioned as result of the Accessing Additional Voltage RFI in 2022 • Further progress is to be made through ongoing innovation projects, for example for the monitoring of inertia, to improve understanding of the impact to national inertia requirements from inertia sources connected at lower voltages. • In addition, NESO want to understand the performance and limitations of grid forming assets providing stability/inertia to the NESO at the higher voltage levels before expanding to cover lower voltage levels. Through this work NESO intend to work with DNO's to understand the implications for their networks from the installation of grid forming technology. |

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| | <p>Once this ongoing work is completed NESO will be able to build the output into future long-term stability and voltage market tenders.</p> <p>For Distributed-ReStart projects, NESO is actively exploring an alternative, separate route to market. More information will be released on this in the near future.</p> |
| Technology type | <p>Long-term 2029 is seeking technologies that can provide either reactive power services, stability services, restoration services, or any combination of the three. For each service, we have published a technology-agnostic specification.</p> <p>To be considered for a contract for any of the services, any solution proposed must meet the tender criteria set out for those services, which is inclusive of the eligibility criteria and the connections requirements criteria. Please see the Contract Award Criteria document for more details.</p> |
| Utilisation Availability | <p>The availability requirements for this tender are as follows:</p> <ul style="list-style-type: none"> • 90% availability for the stability service • 90% availability for the voltage service • 80% availability for the restoration service <p>The contract will be paid based on an availability fee (£/settlement period). Bidders will be asked to price their availability fee (£/settlement period) per service if they are bidding for multiple services.</p> <p>There will be no payment for utilisation specifically and utilisation of assets will not be capped in the contracts.</p> |
| Can 0MW solutions take part? | <p>Zero-MW (0MW) solutions can participate. See the glossary for the definition of a zero-MW solution.</p> <p>To be considered for a contract for any of the services, any solution proposed must meet the tender criteria set out for those services, which is inclusive of the eligibility criteria and the connections requirements criteria. Please see the Contract Award Criteria document for more details.</p> |
| Can Non-0MW solutions take part? | <p>Non-zero-MW (non-0MW) solutions can participate. See the glossary for the definition of a non-zero-MW solution.</p> <p>To be considered for a contract for any of the services, any solution proposed must meet the tender criteria set out for those services, which is inclusive of the eligibility criteria and the connections requirements criteria. Please see the Contract Award Criteria document for more details.</p> |
| Can services be stacked? | <p>Yes, please refer to Section 10 of this document for more details.</p> |
| Can existing connections participate? | <p>Yes. To be considered for contract award, they must satisfy the tender criteria, including but not limited to the Eligibility Criteria and the Connections Requirements Criteria. Please refer to the Eligibility Criteria document and the Connections Requirements document respectively for more information on associated criteria requirements. Please also refer to the Contract Award Criteria for details on the assessment methodology for this tender.</p> |
| Can Transmission Owners participate? | <p>Yes. This tender will allow counterfactual submissions from transmission owners (TOs) towards our Stability and Voltage requirements. NESO will invite TOs to propose options through the STC process.</p> <p>TOs will not be considered with regards to the Restoration service.</p> |

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| Can Offshore Transmission Owners participate? | OFTO participation is not expected due to the OFTO regulatory regime and recent code mod CM85. |
| Can Interconnectors participate? | <p>Interconnectors can participate in this tender and receive a commercial contract for the provision of the service if they meet the tender criteria.</p> <p>Any proposed solution must satisfy all the tender criteria (including Eligibility Criteria) to be considered for a contract. Please refer to the Contract Award Criteria for more information.</p> |
| Can reactors operated by a company with a transmission license (referred to as TO Lite herein) participate? | <p>Yes. This tender will allow submissions from participants that have a 'TO Lite' license or plan to secure a 'TO Lite' license with the view they will be contracted through a commercial contract.</p> <p>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>To be considered for a contract for any of the services, any solution proposed must meet the tender criteria set out for those services, which is inclusive of the eligibility criteria and the connections requirements criteria, see the Contract Award Criteria document for more details.</p> |
| Will any redundancy be procured for specifically, e.g., against N-1, beyond the published requirements? | <p>NESO is will not specifically seek to procure based on the N-1 methodology in this tender.</p> <p>However, NESO reserve the right to procure above the published volume requirements depending on the bids received and what the most economic action to take is, in line with the published Contract Award Criteria.</p> |

For the avoidance of doubt, NESO seeks to secure an overall portfolio of solutions that meet each of its service requirements in each region whilst minimising costs. As a result, the outcome of the tender could be that NESO may select a mix of commercial market participant and network owner solutions, and/or NESO may procure more or less than its requirements if it is economic to do so.

During the course of this Long-term 2029 tender, Network Owner RIIO-3 investment plans may be finalised. NESO will monitor any Network Owner investment plan decisions and account for such decisions during the course of this tender and when awarding contracts. As a result, there is a possibility NESO's requirement volume may change during the course of this tender, or an outcome of this tender could be NESO procure more or less than its requirements if it is economic to do so.

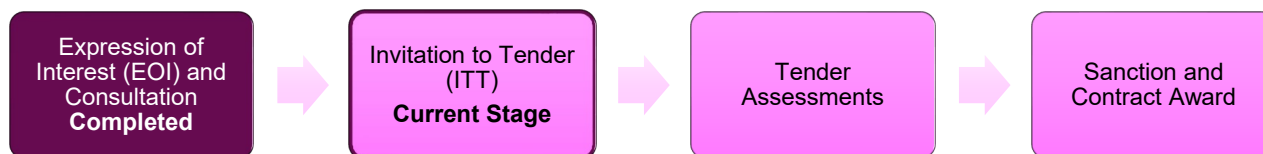
If none of the solutions tendered by bidders provide economic benefits against the forecasted alternative cost of maintaining voltage and / or stability through the Balancing Mechanism (BM) then this tender may not proceed to award contracts to meet its voltage and/or stability requirements. It's possible 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 this tender, network owners will perform the service under regulated activities through their price control mechanism. Should a commercial market participant be successful for any service, they will perform the service they have been successful with under the Long-term 2029 Service Agreement(s).

3. Long-term 2029 Tender Process Overview

The Long-term 2029 tender will follow the process outlined below. Prior to this ITT Stage, an expression of interest stage and consultation stage has been facilitated. Only those who registered their interest and successfully met the EOI criteria have been invited to ITT.

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| Long-term 2029 Indicative Timeline (V5 Clarification: ITT timelines extended) | |
|---|---------------------------|
| Task | Date |
| EOI and Consultation Launch | 24 March 2025 (Completed) |
| Consultation Feedback Deadline | 17 April 2025 (Completed) |
| EOI Registration Deadline | 28 April 2025 (Completed) |
| ITT Launch | 16 July 2025 |
| ITT Deadline | 1 June 2026 |
| NESO Commence Tender Assessments | 2 June 2026 |
| ITT Staggered Backstop Deadline for submission of final Connections information/evidence* | 4 February 2027* |
| NESO Finalise Tender Assessments | June 2027 |
| NESO Internal Sanction Process | June – July 2027 |
| Contract Award | July 2027 |

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

*The Staggered Backstop Deadline for submission of final Connections information has been introduced to better manage the interaction between the ongoing LT2029 tender and the G2TWQ Connections Reform process. If NESO receive all submissions of final Connections information/evidence prior to 4 February 2027 the remaining steps of the tender process may be accelerated.

4. Tender Submissions Process and Deadline

The tender submission deadline is **1 June 2026 at 12:00pm midday (V5 Clarification: Tender timelines extended)**.

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

Bidders 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 Network Owner Proforma and any other submission documents by email or through Ariba, as per what is agreed in writing by NESO. These must be submitted by the same tender submission deadline.

Returns of Tenders using ARIBA

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

Your submission must comprise the following:

- At least one password-protected submission zip file via Ariba.
 - This should include the required submission documents as detailed in **Section 5**.
- Please note there may be upload capacity constraints in Ariba e.g. 20mb per section. Please use the additional upload fields provided to enable further uploads where necessary.

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

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Bidders must submit their Tender Submissions in the format requested by NESO. If NESO 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 solution reference and the question number it relates to using the following document naming convention:

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

Special characters (&, %, \$, £, ~, # etc) must not be used in document names. Long file name should also be avoided.

Failure to comply with the above may invalidate the submission.

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. This includes but is not limited to Ofgem's announcement on the treatment of synchronous condensers which can be found [here](#), and the announcement on Ofgem's decision on TO Licences for operation of a shunt reactor which can be found [here](#). More recently, Ofgem consulted on the regulatory arrangements for dedicated provision of network services which can be found [here](#). No decision on this has yet been published at the time of producing this document, but should one be published during the course of this tender NESO will review it and if required update the details of this tender process where necessary.

Tender Submission Guidance

Each bidder will be required to return completed versions of the appropriate tender submission documents. For third party market participants, this includes the relevant documents as detailed in Section 5. For a Network Owner then a completed Network Owner Proforma should be provided to submit a response as detailed in Section 5.

An ITT response submitted as part of the tender exercise may at NESO's discretion be rejected if it:

- contains gaps, omissions, misrepresentations, errors, or uncompleted sections
- contains handwritten or digital amendments which have not been initialled by the authorised signatory
- does not reflect and confirm full and unconditional compliance with any requirements issued by NESO
- contains any caveats, or any other statements, or assumptions, qualifying the ITT submission, that are not compliant for evaluation in accordance with any documents issued by NESO in any way
- is not submitted in a manner consistent with the provisions set out in the request for ITT tender submissions or any subsequent or supporting documents
- is received after the submission deadline.

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.

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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 NESO 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

Participation by Joints Ventures (JV) / Groups is permitted. Please see **Appendix B** for more details.

5. ITT Pack Content

The Long-term 2029 ITT Pack consists of the following:

- Part 1 – Tender Instructions
 - LT2029 Invitation to Tender Letter
 - LT2029 Instructions to Tenderers – ITT V2 (this document)
 - LT2029 Contract Award Criteria – ITT V2
 - LT2029 Query Log
- Part 2 – Tender Information
 - LT2029 Eligibility Criteria V1
 - LT2029 Stability Technical Specification V2
 - LT2029 Stability Effectiveness Sheet V2
 - LT2029 Stability Feasibility Study Requirements V1
 - LT2029 Voltage Technical Specification V2
 - LT2029 Voltage Effectiveness Tables V2
 - LT2029 Restoration Technical Specification V1
 - LT2029 ESR Operational Metering Commissioning Assessment and Testing Guidance V4
 - LT2029 Connections Requirements V2
 - LT2029 Connections RAG V1
 - LT2029 NGET Non-Operational Land Information V1
 - LT2029 NGET Connections Feasibility Report V1: Please note at the time of this V2 publication, the Connections Feasibility Report V1 is being finalised and will be published as part of the ITT shortly.
 - LT2029 Services Agreement zip file:
 - General Terms & Conditions inclusive of Schedules 1 through 7
 - Contract Form
 - Acceptable Security Templates
 - LT2029 Indicative Payment Calculator V1
- Part 3 – Tender Submission

These documents are the templates that must be completed and returned as part of tender submissions

 - LT2029 Contract Feedback Proforma V1 (optional, see section 6 for details)
 - LT2029 Eligibility Criteria Proforma V1 (commercial participants only)

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- LT2029 Stability Technical Proforma V1 (commercial participants only, stability service bids only)
- LT2029 Stability Feasibility Report V1 (commercial participants only, stability service bids only)
- LT2029 Voltage Technical Proforma V1 (commercial participants only, voltage service bids only)
- LT2029 ESR Technical Proforma V1 (commercial participants only, ESR bids only)
- LT2029 ESR Feasibility Study Requirements V1 (commercial participants only, ESR bids only)
- LT2029 Project Delivery Proforma V1 (commercial participants only)
- LT2029 Contract PTMs Proforma V1 (commercial participants only)
- LT2029 Commercial Submission Proforma V1 (commercial participants only)
- LT2029 Tenderer Declaration V1 (commercial participants only)
- LT2029 Network Owner Proforma V1 (Network owners (TOs) only)

A checklist of documents is also available in **Appendix C**. All documents listed above are applicable to all bidders unless otherwise indicated. 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 prevail. All version references (E.g. V1) listed above are correct at the time of ITT launch.

At any time prior to the tender submission deadline, NESO 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 Submissions 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 NESO, be extended. Tenders must comply with any amendment made by NESO or their submission may be rejected.

6. Document Updates following EOI Stage and Consultation Feedback

Earlier in the Long-term 2029 procurement process NESO 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 NESO if they have any questions.

Bidders should note that the following updates have been made following receipt of consultation feedback:

| Document | Description of update |
|--|--|
| Project-Specific Reservation Proforma | <p>During the EOI Stage NESO published an additional proforma for participants to return as part of their EOI.</p> <p>This proforma allowed participants to apply for their existing connections to be considered for project-specific reservation as part of the connections reform processes.</p> <p>NESO, through its connections team, will be informing participants if they have been selected for project-specific reservation for their connection as part of the connections reform processes. These communications will be issued separately to the Long-term 2029 tender process.</p> |
| LT2029 Instructions to Tenderers (this document) | The stacking rules have been updated to include rules with regards to stacking with existing pathfinder contracts following a request for this detail at EOI stage. See section 10 of this document for the details. |
| LT2029 Instructions to Tenderers (this document) | The cap on solutions has been finalised following the EOI stage, accounting for feedback received during the consultation about market |

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| | views on what the cap should be. See section 16 of this document for details. |
| LT2029 Contract Award Criteria | Stage 3 Financial Health was updated to allow bidders who rely on their parent company information to submit either a Parent Company Guarantee or Cash in Escrow as their form of security. Previously only the former was allowed. |
| LT2029 Stability Service Technical Specification | Updates include minor changes to the service-specific Eligibility Criteria, item 4.12 about Service Stacking has been made clearer, and minor changes made to FFCI requirements. See the updated document for details. |
| LT2029 Stability Effectiveness Sheet | Following consultation feedback suggestions, additional substations have been added. For example, the following substations have been added: Bolney 400kV, Greens 400kV/New Deer 2 400kV, Longside 400kV, Coachford 400kV. See the updated document for details. |
| LT2029 Voltage Service Technical Specification | Following consultation feedback, we have provided a more clear definition of a dynamic reactive power. See the updated document for details. |
| LT2029 Voltage Effectiveness Tables | Following consultation feedback, the following locations have been added: Culham Jet, Shurton and Connah's Quay. |
| LT2029 Connections Requirements | An updated version of the Connections Requirements document has been issued (V2 at the time of ITT launch). This updated version now includes a specific section called "Interaction with Connections Reform" (Section 6) to provide more clear information on NESO's view on how this Long-term 2029 tender will operate in relation to the ongoing Connections Reform. This update has been made following the queries received during the EOI stage and the consultation feedback received. |

Bidders should note that not all feedback suggestions have been taken forward. Please see **Appendix D** for a summary of other feedback topics and NESO's view on them.

Opportunity to provide feedback on the terms and conditions

As part of the ITT Pack NESO have published the contract terms & conditions. Market participants are invited to provide any feedback they have on the terms and conditions by **5pm Friday 22 August 2025** using the **Contract Feedback Proforma** which has been published on Ariba.

7. Query Process – ITT Stage

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

Any generic queries received will be documented and the responses shared with all bidders 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 NESO believe the query not to be confidential NESO 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 NESO's determination that the query is not confidential they will be able to withdraw the query.

Please note that NESO will organise at least one virtual meeting with each Bidder during the ITT window. Should any additional calls be requested, NESO will attempt to facilitate these as best as possible. All confidential 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.

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8. Award Procedure

The award of contract(s) will be based on the most economically optimal combination of solutions that met each of the service requirements across Great Britain, in accordance with the Contract Award Criteria.

This Tender is not regulated by the Procurement Act 2023.

9. Eligibility Criteria

Bidders must meet the Eligibility Criteria to be considered in the Long-term 2029 tender. Please refer to the published Eligibility Criteria document and Technical Specification documents for more details. If bidders have any queries or concerns regarding how they meet the eligibility criteria, please contact NESO using the query process explained in **Section 7**.

10. Revenue Stacking Rules

V2 Clarification: *This entire section on stacking rules has been amended to clarify certain elements and provide additional information following feedback received*

Revenue stacking is permitted under the Long-term 2029, such that, in NESO’s sole opinion, it does not impact the bidder’s ability to provide the contracted service. The table below lists out the services which can be revenue stacked with each service being procured.

Table of services permitted (V3: Typo Correction)

| Service | Is Stacking permitted? | | |
|---|---|--|---|
| | Reactive Power Service Contract | Stability Service Contract | Restoration Service Contract |
| Commercial Frequency Response (FR)¹ | <p>Yes: Providing sufficient capability to deliver the contracted voltage service in parallel with the contracted Frequency Response service.</p> <p>This would be permitted on the basis of splitting.</p> <p><i>This capability must be demonstrated and accepted by NESO before the services can be stacked. There are questions within the technical criteria to demonstrate this as part of tender submissions. During delivery, providers will also need to prove the capability prior to service start. Please see the contract terms for more details.</i></p> | <p>Yes: Providing sufficient capability is reserved to deliver the contracted stability services in parallel with the contracted Frequency Response service.</p> <p>This would be permitted on the basis of splitting.</p> <p><i>This capability must be demonstrated and accepted by NESO before the services can be stacked. There are questions within the technical criteria to demonstrate this as part of tender submissions. During delivery, providers will also need to prove the capability prior to service start. Please see the contract terms for more details.</i></p> | <p>Yes, this is permitted subject to the stacked service being provided for by the primary asset as opposed to the auxiliary equipment.</p> |
| Reserve | <p>Yes: Providing sufficient capability to deliver the contracted voltage service in parallel with the contracted Reserve service.</p> | <p>Yes: Providing sufficient capability is reserved to deliver the contracted stability services in parallel with the contracted Reserve service.</p> | <p>Yes, subject to the service being provided for by the primary asset as opposed to the auxiliary equipment.</p> |

¹ Bidders will be expected to fulfil any Mandatory Frequency Response (MFR) obligations regardless of any Commercial Frequency Response stacking. As such, MFR can be stacked with any contract awarded as a result of this tender.

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| | | | |
|---|---|---|---|
| | <p>This would be permitted on the basis of splitting.</p> <p>This capability must be demonstrated and accepted by NESO before the services can be stacked. There are questions within the technical criteria to demonstrate this as part of tender submissions. During delivery, providers will also need to prove the capability prior to service start. Please see the contract terms for more details.</p> | <p>This would be permitted on the basis of splitting.</p> <p>Note: Whilst this stacking is permitted subject to the above, GBGF-S non-0MW synchronous providers will forego their stability availability fee payment under this contract when they generate above 0MW.</p> <p>This capability must be demonstrated and accepted by NESO before the services can be stacked. There are questions within the technical criteria to demonstrate this as part of tender submissions. During delivery, providers will also need to prove the capability prior to service start. Please see the contract terms for more details.</p> | |
| <u>Reactive Power (RP)</u> | <p>No: Providers must continue to meet their MSA Grid Code obligations but will forego any ORPS and/or other reactive power payments such that providers are only paid for their reactive capability under this contract.</p> <p>This is to mean a bidder could not also hold a CSA or ERPS contract for the same asset.</p> <p><i>Note: if a provider has a co-located, separately metered asset with a separate BMU that has not been bid into this tender, then for this asset it would not have to forgo ORPS / any other reactive power payments and can still hold a CSA or ERPS for this asset. This is because it is considered to be a separate asset to the asset being bid into the LT29 tender.</i></p> | <p>Yes: we expect any reactive power capability will be paid for at the ORPS rate (please see contract for details) unless the provider is also contracted for the reactive power service as part of the Long-term 2029 tender.</p> <p>This would be permitted on the basis of splitting.</p> <p>This capability must be demonstrated and accepted by NESO before the services can be stacked. There are questions within the technical criteria to demonstrate this as part of tender submissions. During delivery, providers will also need to prove the capability prior to service start. Please see the contract terms for more details.</p> | <p>Yes this is permitted, given the nature of a restoration service being called upon during a significant power outage scenario.</p> |
| <u>Mid-term Stability Market</u> | <p>If successful, in the future providers may also hold a mid-term stability market contract subject to the stacking rules set in the mid-term stability market. Providers should refer to the latest version of the stacking rules set out in the latest version of the tender rules for the relevant mid-term</p> | <p>If successful, in the future providers may also hold a mid-term stability market contract subject to the stacking rules set in the mid-term stability market. Providers should refer to the latest version of the stacking rules set out in the latest version of the tender rules for the relevant mid-term</p> | <p>Yes this is permitted, given the nature of a restoration service being called upon during a significant power outage scenario.</p> <p>Providers should refer to the latest version of the stacking rules set out in the latest version of the tender rules for the relevant mid-term stability</p> |

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|--|---|--|--|
| | <p>stability market delivery year for details.</p> <p>This would be permitted on the basis of splitting.</p> | <p>stability market delivery year for details.</p> <p>This would be permitted on the basis of splitting.</p> | <p>market delivery year for details.</p> |
| Capacity Market (CM) | <p>Yes: Does not impact service delivery</p> <p>This would be permitted on the basis of splitting.</p> <p>NESO does not believe it is necessary to list the provision of reactive power through the Long-term Reactive Power Market as a "Relevant Balancing Service" within the Capacity Market, because in the event where there is a Capacity Market Stress Event, from a whole system perspective it is unlikely that there will also be a need to instruct providers in the Long-Term Reactive Power Market. So, there is no need to prioritise the Long-Term Reactive Power Market through the Capacity Market's definition of Relevant Balancing Services.</p> <p>However, feedback on the definition of RBS can be provided through the usual consultation process for determination of what should be defined as a RBS. For more details please contact emr@nationalenergyso.com who can support you further.</p> | <p>Yes: Does not impact service delivery</p> <p>This would be permitted on the basis of splitting.</p> <p>NESO does not believe it is necessary to list the provision of stability through the Long-Term Stability Market as a "Relevant Balancing Service" within the Capacity Market, because in the event where there is a Capacity Market Stress Event, from a whole system perspective it is unlikely that there will also be a need to instruct providers in the Long-Term Stability Market. So there is no need to prioritise the Long-Term Stability Market through the Capacity Market's definition of Relevant Balancing Services.</p> <p>However, feedback on the definition of RBS can be provided through the usual consultation process for determination of what should be defined as a RBS. For more details please contact emr@nationalenergyso.com who can support you further.</p> | <p>Yes this is permitted, given the nature of a restoration service being called upon during a significant power outage scenario.</p> <p>Restoration services are not currently considered a Relevant Balancing Service in the Capacity Market.</p> <p>However, feedback on the definition of RBS can be provided through the usual consultation process for determination of what should be defined as a RBS. For more details please contact emr@nationalenergyso.com who can support you further.</p> |
| <u>Constraint Management Intertrip Service (CMIS)</u> | <p>Yes: Permitted on the basis that the provider can demonstrate capability on the basis of quick de-load (or alternative activation of CMIS) where MVar provision is left intact as part of tests.</p> <p>This would be permitted on the basis of splitting.</p> <p>This capability must be demonstrated and accepted by NESO before the services can be stacked. There are questions within the technical criteria to demonstrate this as part of tender submissions.</p> | <p>Yes: Permitted on the basis that the provider can demonstrate capability on the basis of quick de-load (or alternative activation of CMIS) where the stability service is left intact as part of tests.</p> <p>This would be permitted on the basis of splitting.</p> <p>This capability must be demonstrated and accepted by NESO before the services can be stacked. There are questions within the technical criteria to demonstrate this as part of tender submissions.</p> | <p>Yes permitted subject to the service being provided for by the primary asset as opposed to any auxiliary equipment.</p> |

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| | <p>During delivery, providers will also need to prove the capability prior to service start. Please see the contract terms for more details.</p> <p><i>Note: Providers cannot be connected behind another entity who holds a CMIS contract whereby their availability could be impacted if said CMIS contract was tripped.</i></p> | <p>During delivery, providers will also need to prove the capability prior to service start. Please see the contract terms for more details.</p> <p><i>Note: Providers cannot be connected behind another entity who holds a CMIS contract whereby their availability could be impacted if said CMIS contract was tripped.</i></p> | |
| <u>Balancing Mechanism (BM)</u> | <p>Yes: however providers will forego ORPS when stacking with services where the provider would be eligible for ORPS</p> <p>This would be permitted on the basis of splitting.</p> | <p>Yes: however GBGF-S Non-0MW synchronous providers will forego payment when they generate above 0MW due to being instructed by NESO in the BM</p> <p>This would be permitted on the basis of splitting.</p> | <p>Yes permitted subject to the service being provided for by the primary asset as opposed to any auxiliary equipment.</p> |
| <u>Wholesale Market (WM)</u> | <p>Yes: however providers will forego ORPS when stacking with services where the provider would be eligible for ORPS</p> <p>This would be permitted on the basis of splitting.</p> | <p>Yes: however GBGF-S Non-0MW synchronous providers will forego payment when they generate above 0MW either due to self-dispatching (>0MW FPN) or are instructed by NESO in the BM</p> <p>This would be permitted on the basis of splitting.</p> | <p>Yes permitted subject to the service being provided for by the primary asset as opposed to any auxiliary equipment.</p> |

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V2 Clarification: Please see below additional revenue stacking rules in relation to existing Pathfinder Contracts

| Is revenue stacking with existing Pathfinder Contracts permitted? | | | |
|---|---|---|---|
| <p>Stability Phase 1</p> | <p>This long-term 2029 tender is seeking new and additional reactive power capability as per the published Voltage Technical Specification.</p> <p>NESO do not expect providers to revenue stack with existing Stability Pathfinder contracts on this basis unless they are making incremental investment to provide additional capability in line with the service-specific eligibility criteria. Where providers are doing so, they can stack contracts if the Stability Phase 1 contract would still be in place.</p> <p>This would be permitted on the basis of splitting.</p> | <p>This long-term 2029 tender is seeking new solutions, additional stability capability or existing stability capability from existing assets where they can provide the service at OMW or independently of MW are not already under contract as per the published Stability Technical Specification.</p> <p>NESO do not expect providers to revenue stack the Stability Service with existing Stability Pathfinder contracts unless they are making incremental investment to provide additional capability. Where providers are doing so, they can stack contracts. This would be permitted on the basis of splitting.</p> <p>If a provider's existing Pathfinder contract has expired, they could participate as an existing asset where they are not already under contract.</p> | <p>This long-term 2029 tender is seeking new and additional electricity system restoration (ESR) capability as per the published ESR Restoration Technical Specification.</p> <p>NESO do not expect providers to revenue stack the Restoration Service with existing Stability Pathfinder contracts on this basis unless they are making incremental investment to provide additional capability. Where providers are doing so, they can stack contracts.</p> <p>This is permitted, given the nature of a restoration service being called upon during a significant power outage scenario.</p> |
| <p>Stability Phase 2</p> | <p>This long-term 2029 tender is seeking new and additional reactive power capability as per the published Voltage Technical Specification.</p> <p>NESO do not expect providers to revenue stack with existing Stability Pathfinder contracts on this basis unless they are making incremental investment to provide additional capability in line with the service-specific eligibility criteria. Where providers are doing so, they can stack contracts.</p> <p>This would be permitted on the basis of splitting.</p> | <p>This long-term 2029 tender is seeking new solutions, additional stability capability or existing stability capability from existing assets where they can provide the service at OMW or independently of MW are not already under contract as per the published Stability Technical Specification.</p> <p>NESO do not expect providers to revenue stack the Stability Service with existing Stability Pathfinder contracts unless they are making incremental investment to provide additional capability. Where providers are doing so, they can stack contracts. This would be permitted on the basis of splitting.</p> <p>If a provider's existing Pathfinder contract has expired, they could participate as an existing asset where they are not already under contract.</p> | <p>This long-term 2029 tender is seeking new and additional electricity system restoration (ESR) capability as per the published ESR Restoration Technical Specification.</p> <p>NESO do not expect providers to revenue stack the Restoration Service with existing Stability Pathfinder contracts on this basis unless they are making incremental investment to provide additional capability. Where providers are doing so, they can stack contracts.</p> <p>This is permitted, given the nature of a restoration service being called upon during a significant power outage scenario.</p> |
| <p>Stability Phase 3</p> | <p>This long-term 2029 tender is seeking new and additional reactive power capability as per</p> | <p>This long-term 2029 tender is seeking new solutions, additional stability capability or existing stability capability from existing</p> | <p>This long-term 2029 tender is seeking new and additional electricity system restoration (ESR) capability as per the</p> |

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| | | | |
|-------------------------|--|---|---|
| | <p>the published Voltage Technical Specification.</p> <p>NESO do not expect providers to revenue stack with existing Stability Pathfinder contracts on this basis unless they are making incremental investment to provide additional capability in line with the service-specific eligibility criteria. Where providers are doing so, they can stack contracts.</p> <p>This would be permitted on the basis of splitting.</p> | <p>assets where they can provide the service at 0MW or independently of MW are not already under contract as per the published Stability Technical Specification.</p> <p>NESO do not expect providers to revenue stack the Stability Service with existing Stability Pathfinder contracts unless they are making incremental investment to provide additional capability. Where providers are doing so, they can stack contracts. This would be permitted on the basis of splitting.</p> <p>If a provider's existing Pathfinder contract has expired, they could participate as an existing asset where they are not already under contract.</p> | <p>published ESR Restoration Technical Specification.</p> <p>NESO do not expect providers to revenue stack the Restoration Service with existing Stability Pathfinder contracts on this basis unless they are making incremental investment to provide additional capability. Where providers are doing so, they can stack contracts.</p> <p>This is permitted, given the nature of a restoration service being called upon during a significant power outage scenario.</p> |
| Voltage Mersey | <p>This long-term 2029 tender is seeking new and additional reactive power capability as per the published Voltage Technical Specification.</p> <p>NESO do not expect providers to revenue stack the Voltage Service with existing Voltage Pathfinder contracts on this basis unless they are making incremental investment to provide additional capability. Where providers are doing so, they can stack contracts.</p> <p>This would be permitted on the basis of splitting.</p> | <p>This long-term 2029 tender is seeking new solutions, additional stability capability or existing stability capability from existing assets where they can provide the service at 0MW or independently of MW are not already under contract as per the published Stability Technical Specification.</p> <p>NESO do not expect providers to revenue stack the Stability Service with existing Voltage Pathfinder contracts unless they are making incremental investment to provide additional stability capability. Where providers are doing so, they can stack contracts. This would be permitted on the basis of splitting.</p> <p>If a provider's existing Pathfinder contract has expired, they could participate as an existing asset where they are not already under contract.</p> | <p>This long-term 2029 tender is seeking new and additional electricity system restoration (ESR) capability as per the published ESR Restoration Technical Specification.</p> <p>NESO do not expect providers to revenue stack the Restoration Service with existing Voltage Pathfinder contracts on this basis unless they are making incremental investment to provide additional capability. Where providers are doing so, they can stack contracts.</p> <p>This is permitted, given the nature of a restoration service being called upon during a significant power outage scenario.</p> |
| Voltage Pennines | <p>This long-term 2029 tender is seeking new and additional reactive power capability as per the published Voltage Technical Specification.</p> <p>NESO do not expect providers to revenue stack the Voltage Service with existing Voltage Pathfinder contracts on this basis unless they are making</p> | <p>This long-term 2029 tender is seeking new solutions, additional stability capability or existing stability capability from existing assets where they can provide the service at 0MW or independently of MW are not already under contract as per the published Stability Technical Specification.</p> | <p>This long-term 2029 tender is seeking new and additional electricity system restoration (ESR) capability as per the published ESR Restoration Technical Specification.</p> <p>NESO do not expect providers to revenue stack the Restoration Service with existing Voltage Pathfinder contracts on this basis</p> |

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|---------------------|--|---|---|
| | <p>incremental investment to provide additional capability. Where providers are doing so, they can stack contracts.</p> <p>This would be permitted on the basis of splitting.</p> | <p>NESO do not expect providers to revenue stack the Stability Service with existing Voltage Pathfinder contracts unless they are making incremental investment to provide additional stability capability. Where providers are doing so, they can stack contracts. This would be permitted on the basis of splitting.</p> <p>If a provider's existing Pathfinder contract has expired, they could participate as an existing asset where they are not already under contract.</p> | <p>unless they are making incremental investment to provide additional capability. Where providers are doing so, they can stack contracts.</p> <p>This is permitted, given the nature of a restoration service being called upon during a significant power outage scenario.</p> |
| Voltage 2026 | <p>This long-term 2029 tender is seeking new and additional reactive power capability as per the published Voltage Technical Specification.</p> <p>NESO do not expect providers to revenue stack the Voltage Service with existing Voltage Pathfinder contracts on this basis unless they are making incremental investment to provide additional capability. Where providers are doing so, they can stack contracts.</p> <p>This would be permitted on the basis of splitting.</p> | <p>This long-term 2029 tender is seeking new solutions, additional stability capability or existing stability capability from existing assets where they can provide the service at 0MW or independently of MW are not already under contract as per the published Stability Technical Specification.</p> <p>NESO do not expect providers to revenue stack the Stability Service with existing Voltage Pathfinder contracts unless they are making incremental investment to provide additional stability capability. Where providers are doing so, they can stack contracts. This would be permitted on the basis of splitting.</p> <p>If a provider's existing Pathfinder contract has expired, they could participate as an existing asset where they are not already under contract.</p> | <p>This long-term 2029 tender is seeking new and additional electricity system restoration (ESR) capability as per the published ESR Restoration Technical Specification.</p> <p>NESO do not expect providers to revenue stack the Restoration Service with existing Voltage Pathfinder contracts on this basis unless they are making incremental investment to provide additional capability. Where providers are doing so, they can stack contracts.</p> <p>This is permitted, given the nature of a restoration service being called upon during a significant power outage scenario.</p> |

If bidders are successful for multiple services in this tender, then the most “onerous” revenue stacking rule will apply. For example, if a provider is successful for both the voltage and stability services, then the stacking rule set out for wider reactive power services and the LT2029 reactive power service would apply as this is the more onerous stacking rule. If bidders have any queries about how this would apply to them, please contact NESO via the query process set out in **Section 7**.

Relationship between revenue stacking and availability requirements

In instances where a provider is actively stacking one of the above services during a settlement period, as permitted by the rules outlined above, the provider will still be treated as available for the purpose of contract management against the availability requirement.

Please see the tables below for how this will translate into payments made under this contract whilst stacking services.

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Reactive Power availability fee payment when revenue stacking

| Example | Will payment still be made for the voltage service when revenue stacking? | | | | | | |
|--|---|---------|----------------------------|-----|------|-----|-----|
| | FR | Reserve | RP | CM | CMIS | BM | WM |
| 0MW Shunt Reactor | N/A | N/A | Yes But will forgo ORPS | N/A | Yes | N/A | N/A |
| Non-0 MW synchronous generator able to provide voltage at 0MW export (GBGF-S) | Yes | Yes | Yes But will forgo ORPS | Yes | Yes | Yes | Yes |
| Non-0 MW synchronous generator unable to provide voltage at 0MW export (GBGF-S) | Does not meet eligibility criteria, would not receive a voltage service contract. | | | | | | |
| 0MW export Synchronous compensator (GBGF-S) | N/A | N/A | Yes But will forgo ORPS | N/A | N/A | N/A | N/A |
| Non-synchronous battery storage solution with grid forming capability (GBGF-I) | Yes | Yes | Yes But will forgo ORPS | Yes | Yes | Yes | Yes |
| Non-synchronous battery storage solution without grid forming capability | Yes | Yes | Yes But will forgo ORPS | Yes | Yes | Yes | Yes |

Note: Providers will forego ORPS when stacking with services where the provider would be eligible for ORPS

Stability availability fee payment when revenue stacking

| Example | Will payment still be made for the stability service when revenue stacking? | | | | | | |
|--|---|---------|-----|-----|------|-----|-----|
| | FR | Reserve | RP | CM | CMIS | BM | WM |
| Non-0 MW synchronous generator able to provide stability at 0MW export (GBGF-S) | No | No | Yes | Yes | Yes | No | No |
| Non-0 MW synchronous generator unable to provide stability at 0MW export (GBGF-S) | Does not meet eligibility criteria, would not receive a stability service contract. | | | | | | |
| 0MW export Synchronous compensator (GBGF-S) | N/A | N/A | Yes | N/A | Yes | N/A | N/A |
| Non-synchronous battery storage solution with grid forming capability (GBGF-I) | Yes | Yes | Yes | Yes | Yes | Yes | Yes |

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| | |
|---|---|
| Non-synchronous battery storage solution without grid forming capability | Does not meet eligibility criteria, would not receive a stability service contract. |
|---|---|

Restoration availability fee payment when revenue stacking

| Example | Will payment still be made for the restoration service when revenue stacking? | | | | | | |
|---|---|---------|-----|-----|------|-----|-----|
| | FR | Reserve | RP | CM | CMIS | BM | WM |
| Non-0 MW synchronous generator able to operate at 0MW export (GBGF-S) | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Non-0 MW synchronous generator unable to operate at 0MW export (GBGF-S) | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 0MW export Synchronous compensator (GBGF-S) | N/A | N/A | Yes | N/A | Yes | N/A | N/A |
| Non-synchronous battery storage solution with grid forming capability (GBGF-I) | Yes | Yes | Yes | Yes | Yes | Yes | Yes |

Reminder: If bidders are successful for multiple services in this tender, then the most “onerous” revenue stacking rule will apply.

The above tables depicting how payment would be made whilst revenue stacking are on a service by service basis and **are not exhaustive**. If you have any concerns with regards to how the stacking rules apply to your proposed solution, please contact the team in line with the query process (**Section 7**).

11. ITT Webinars

During the EOI Stage NESO published a set of pre-recorded webinar videos, which are available here: <https://www.neso.energy/industry-information/balancing-services/stability-market/long-term-2029-tender>

These were made available for market participants to watch at their convenience, and according to the services they are interested in bidding for.

In addition to the EOI webinars, NESO may host further webinars as part of the ITT Stage. Details on this will be provided during the ITT window through the Ariba Message Board.

12. ARIBA

The ITT stage for Long-term 2029 will be facilitated using Ariba. Ariba is the name of a web-based document management and collaboration solution that allows NESO 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](#).

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13. Acknowledgement of Receipt

Bidders are requested to acknowledge receipt of this ITT within **15 working days** of issue by posting a message on the Ariba Message Board. When posting an acknowledgement NESO 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 18** for more information.

14. Bidder to Provide Password

When exchanging confidential information between a bidder and NESO, password protection may be adopted to maintain confidentiality. Bidders are asked to provide a confidential password to NESO. If bidders fail to provide a password by the time an exchange of confidential information is required, NESO will create a password and share this with the bidder. Please note this may have already been done at EOI Stage and you may already have been provided with a password by NESO.

When creating a password, it should 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!

15. Bidding Rules

Bidders can elect to submit bids for either the voltage service, the stability service, the restoration service, or any combination of the three. The decision of which services a bidder submits for is at their commercial discretion.

For clarity, please see the below bidding rules:

- Bidders can choose which of the services they bid for based on the capability of their technology type
 - Bidders can choose to only bid for one service at their commercial discretion
- Bidders who choose to bid into the stability service must bid in both SCL and inertia. This tender will not permit inertia only or SCL only bids
- Bidders can choose to bid in a solution for the dynamic and/or the static reactive power requirements based on the capability of their asset/technology type
 - Where a bidder does bid the same solution in for both the dynamic reactive power service and the static reactive power service, these bids will be treated as **mutually exclusive** of one another such that the solution could only be selected for either the dynamic service or the static service. This is because the static requirements and dynamic requirements are distinct and separate requirements, meeting one does not contribute to the other.
 - **V2 Clarification:** Where a bidder does bid a dynamic asset in for both the dynamic reactive power service and the static service, if they are subsequently selected for the static service, NESO reserve the right to use the asset in dynamic mode to meet the requirements.
- Bidders can choose to bid in for the Anchor (Primary) restoration service and/or the Top-Up service based on the capability of their asset/technology type
 - Where a bidder does bid the same solution / asset in for both the Anchor service and the Top-Up service, the asset could only be selected for the service it is most appropriate towards based on NESO's tender assessment.
- Bidders can choose to bid in for any combination of the dynamic reactive power service, the stability service and the restoration service with the same solution and be selected for any combination of the services based on the Contract Award Criteria (subject to the above bidding rules also).

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- **V2 Clarification:** Bidders can choose to bid in for the dynamic reactive power service, the static reactive power service, the stability service and the restoration service with the same solution if they wish, based on the capability of their asset/technology type, and be selected for any combination of the services based on the Contract Award Criteria (subject to the above bidding rules also).
 - Where a bidder does bid the same solution / asset in this way, this will be treated as **mutually exclusive** such that it could only be selected for either the static reactive power service or the dynamic reactive power service. This is because the static requirements and dynamic requirements are distinct and separate, meeting one does not contribute to the other.
 - **V2 Clarification:** Where a bidder does bid a dynamic asset in for both the dynamic reactive power service and the static service, if they are subsequently selected for the static service, NESO reserve the right to use the asset in dynamic mode to meet the requirements.
- **V2 Clarification:** Bidders can submit the same ‘asset’ or ‘project’ multiple times as multiple solutions with different variations (within the solution cap as per Section 16 below). For example, each solution may vary the services being offered (e.g. Solution A could be for Stability Only, whilst Solution B could offer Stability and Voltage Services). This is the approach bidders should take in these scenarios. These solutions would be treated as mutually exclusive as per the below bullet point.
- **V2 Clarification:** Where a bidder offers a solution for multiple services, it will be considered for all services, and no ‘mutually exclusive’ constraints will be applied.
- Within the assessment of each service, any bids from a bidder connected at the same substation will be treated as mutually exclusive so that it could only be selected once at a substation for each service.
- Bidders who wish to bank/aggregate multiple assets that connect through one connection point (e.g. a bay) must provide these as one solution. Tenderers cannot aggregate multiple assets that connect through different connection points. Assets that connect through different connection points must be submitted as separate solution bids and cannot be aggregated in one bid.
 - If a company has two assets that are co-located through one connection point, where one is static and one is dynamic, the bidder must decide at their commercial discretion if they bid in their static capability or the dynamic capability or both, noting that bidding both would be treated as **mutually exclusive** as per the above bidding rules and those in **section 16**.
- If bidders choose to bid the same solution in for both the stability service and the dynamic reactive power service, the reactive power capability offered for the dynamic reactive power service must be greater than the baseline reactive power requirement under the stability specification. The tender submission documents will be set up to allow bidders to confirm this and for NESO to check this.

Please refer to the technical specifications for the requirements for each type of service for more details.

16.Solution Caps and Bundling

V2 Clarification: *This entire section has been amended update at the ITT stage to confirm the cap on solutions and provide clarity on how the cap applies following feedback received*

Each bidding entity will be able to propose multiple solutions within their tender submissions, up to the cap set out below.

| | Reactive Power Service | Stability Service | Restoration Service |
|------------------------------|---|---|--|
| Cap on solutions per service | 5 solutions per underlying connection point per bidder. | 5 solutions per underlying connection point per bidder. | 3 per underlying connection point per bidder |
| | There will be no overall cap. | There will be no overall cap. | |

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- The bidding rules explained in **Section 15** above apply to any bids made within this cap.
- The cap on solutions is absolute and cannot be exceeded.
- For the avoidance of doubt, a solution is any one asset (e.g. reactor or syncomp) or group of assets (e.g. four aggregated reactors or four aggregated syncomps) connected through one connection point/bay.
- NESO will exclude any solutions that fall outside of this cap. NESO does not accept any liability towards any of the affected bidders. In the event of NESO needing to exclude solutions, it is at NESO's sole discretion which solutions are excluded.
- **V2 Clarification:** With regards to the Restoration service, it is at a bidders discretion whether solutions within the cap set out above are submitted for the Top-Up or Restoration Service.
- These caps will apply per bidder. Where a company has registered as multiple subsidiary companies or SPVs, and so these bidders are affiliated with the ownership of another bidder involved, the cap will apply across all bidders per underlying connection point. This will be the case even where the affiliate relationship is not one of a true parent.
 - For example, where two bidders have the same ownership in companies house. NESO's decision is final on whether companies are considered 'linked' for the purposes of this cap.

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.

When assessing each service, any solutions submitted by the same tenderer at the same substation will be treated by NESO as mutually exclusive of one another, i.e., only one of those solutions can be accepted.

When assessing each service, any solutions submitted by different tenderers but at the same substation will be treated by NESO as independent of one another, i.e., NESO may accept bids from different tenderers that all connect at the same substation.

V2 Clarification: With regards to the Electricity System Restoration service, solutions submitted based on the same connection point will be treated as mutually exclusive such that only one of them could be taken forward for contract award. Typically, the highest scoring solution will be taken forward, but NESO reserve the right to take any of the options forward depending on which is most appropriate solution at said connection point at contributing to the ESR standard.

Where NESO has set defined regions of need, some substation locations may be acceptable towards multiple reference points (reference substations) within a region (location) of need or across multiple regions (locations) of need. For the Voltage Service specifically: Where this is the case, bidders will be asked to specify which reference point location their bid is to be considered against. Where a bidder submits multiple versions of the same solution based on the same substation location but towards different reference point locations, these bids will also be treated as mutually exclusive of one another.

- **V3 Clarification:** With regards to the Voltage Service Specifically: Where bidders wish to offer both an injection and absorption service from the same solution, where the injection requirement and absorption requirements have different reference point locations of need, it is acceptable to offer this within the same solution. In this case, when returning tender submissions for a solution, bidders must specify the absorption and injection reference points they are contributing towards with that solution.

NESO will also apply mutually exclusive rules based on the Bidding Rules explained in **Section 15** above.

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Bundling opportunities

It is anticipated that for a solution which can provide multiple services, a percentage discount would be applied in the event of the solution being successful for multiple services. Please see the Contract Award Criteria for more details on how this will be considered during the tender assessment process.

Beyond this, bidders should price their availability fee (£/SP) bids for each service as competitively as possible

This tender will not use an efficiency groups mechanism as was done on previous Voltage and Stability 'pathfinder' tenders.

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, 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.

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

17. Solution Sizing Requirements / Guidance

Please refer to the Technical Specification documents for each service for any requirements related to solution sizing.

Please also refer to the Long-term 2029 Connections Requirements document for more information on how solutions should be sized with regards to how they will connect (e.g. reserved bays, existing connection agreements, new connection agreements).

18. 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 NESO 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.

19. 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.

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

From time to time during the assessment process, NESO 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 a NESO clarification it is acceptable.

Beyond this, bidders **should not** submit any additional information after the tender submission deadline without prior request for clarification from NESO. The details of proposed solutions cannot change after the

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tender submission deadline. The information that is submitted at this time will be what is assessed, and if successful, taken forward into the contract.

20. Language

Tender submissions, supporting documents and subsequent communications relating to this 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**.

Note: NESO will not be compensating for any feasibility study costs or construction compensation costs for any projects for any service as part of this tender. All availability prices should be priced considering this.

22. Validity Period for Tender Submissions

Tender submissions shall remain valid for acceptance for a period of **240-days** from 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 NESO during the ITT window).

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

24. Sub-Contractors and Consultants

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

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

25. 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, NESO 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 NESO 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. NESO 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.

26. Tender conduct and conflicts of interest

For the duration of this Long-term 2029 tender process with effect from the launch of the EOI, any attempt by bidders 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:

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- a) devise or amend the content of their EOI or 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 EOI or 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 EOI or 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 NESO or any employees or agents of NESO in relation to this procurement; or
- e) attempt to obtain information from any of the employees or agents of NESO or their advisers concerning another Tenderer or tender.
- f) Collude in any way;
- g) Fix or set the price for the services;
- h) Engage in bribery by you or your appointed advisers in relation to the competitive procurement event; or
- i) Inappropriately influence this procurement event in any other way

Bidders are responsible for ensuring that no conflicts of interest exist between the bidder and its advisers, and NESO and its advisers.

NESO reserves the right to disqualify from the tender process, any provider if they breach these tender rules.

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.

NESO 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, NESO reserves the right to disqualify the Bidder from further participation in the event.

By returning a tender submission, the Bidder irrevocably consents to NESO 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. Contracting Entity

Bidders should be aware that any contract(s) awarded because of this tender process will be entered into with National Energy System Operator Ltd.

29. Form of Contract

Should a commercial participant be successful in Long-term 2029, the chosen form of contract for this requirement will be the General Terms and Conditions and Contract Form for the Provision of the Long-term 2029 Service. This contract will cover the terms and conditions for provision of all services a provider is successfully selected for, should a bidder elect to bid in for multiple services. These are the terms on which NESO wishes to contract.

Opportunity to provide feedback on the terms and conditions: As part of the ITT Pack NESO have published the contract terms & conditions documents, which were not previously issued at the EOI Stage.

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Market participants are invited to provide any feedback they have on the terms and conditions by **5pm Friday 22 August 2025** using the **Contract Feedback Proforma**.

Bidders should note that where a bidder is successful in being awarded a contract, the Contract Form will be amended by NESO 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 for the provision of reactive power and / or stability services, they will provide their solutions under their standard regulatory mechanisms.

30. Contract Signature Stage and Security Requirement

Where a Tender Submission is selected by NESO for contract award, then within 30 business days of receiving the contract for signature the Bidder must:

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

Upon receipt of **both** the signed contract and Acceptable Security, NESO will countersign the contract.

V3 Clarification: The Acceptable Security must be either a Parent Company Guarantee (PCG), a Performance Bond, a Letter of Credit, or Cash in Escrow, at the value of the Termination Sum of the contract (180 days of Availability Payments for the Contracted Services).

NESO 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. 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.

31. Publication of tender results

Commercially sensitive details of Tender Submissions shall not be disclosed to any third party unless such disclosure is required by OFGEM, DESNZ, and/or law or court order.

Stability and Reactive Power Services

NESO reserve the right (but not the obligation) to publish the details of bidder participants in the tender results, regardless of whether they are successful and enter into a Service Agreement or not. This is applicable to both commercial tenderers and Network Owners. The level of details published will be at NESO discretion unless disclosure is required by OFGEM, DESNZ and/or law or court order.

Restoration Services

NESO will not publish the tender results for the Restoration Service in line with the confidential nature of CNI assets.

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Appendices

Appendix A

Updated for V2

| Region | | Voltage Service | | Stability Service | | Restoration Service |
|----------------------------|---------------------|--|------------------------|--|---------|--|
| | | Dynamic reactive power | Static reactive power | Short Circuit Level (SCL) | Inertia | Anchor and Top-Up Services |
| Scotland | East Scotland | - | - | 700MVA at Tealing 132kV | 10GVA.s | NESO are seeking any proposals that contribute towards meeting the ESR standard across Great Britain |
| | North East Scotland | - | - | 7,100MVA at Peterhead 400kV | | |
| | North Scotland | - | - | 6,400MVA across: 2700MVA at Spittal 275kV 3700MVA at Spittal 400kV | | |
| England & Wales | North East England | - | - | 1,100MVA at Lackenby 400kV 5,400MVA at Creyke Beck 400kV | | |
| | Humber | -20MVA at Grimsby West 400kV | - | - | | |
| | North West England | -350MVA across: -180MVA at Heysham 400kV -170MVA at Penwortham 400kV | -50MVA at Harker 400kV | - | | |
| | Mersey | -120MVA at Birkenhead 275kV | - | - | | |
| | South Yorkshire | -175MVA / +200MVA across: -75MVA at Chesterfield 400kV | - | - | | |

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|--|---------------|--|--|---|--|--|
| | | -100MVAR at Brinsworth 400kV +200MVAR at Chesterfield 400kV | | | | |
| | East England | -265MVAR / +200MVAR across: -90MVAR at Grendon 400kV -85MVAR at Enderby 400kV -90MVAR at Eaton Socon 400kV +200MVAR at Enderby 400kV | +400MVAR at Ryhall 400kV | - | | |
| | East Midlands | - | +300MVAR across: +200MVAR at Staythorpe 400kV +100MVAR at Stoke Bardolph 400kV | - | | |
| | West Midlands | -230MVAR across -120MVAR at Rugeley 400kV -110MVAR at Kitwell 275kV | -150MVAR / +400MVAR across: -150MVAR at Feckenham 400kV +400MVAR at Patford Bridge 400kV | - | | |
| | London | -175MVAR / +200MVAR across: -150MVAR at Amersham Main 400kV | - | - | | |

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|--|---------------------------------------|---|--------------------------------------|--|--|--|
| | | -25MVar at Tilbury 275kV +200MVar at Amersham Main 400kV | | | | |
| | South East England | - | - | 1,100MVA at Richborough 400kV | | |
| | South Central England | -620MVar across: -220MVar at Bramley 400kV -200MVar at Didcot 400kV -200MVar at Fleet 400kV | - | - | | |
| | South Wales and West England | -480MVar across: -100MVar at Hinkley Point 400kV -140MVar at Minety 400kV -140MVar at Seabank 400kV -100MVar at Iron Action 275kV | -65MVar at Imperial Park 400kV | 6,300MVA across: 250MVA at Minety 400kV 6050MVA at Seabank 400kV | | |
| | South West England | - | - | 3,050MVA across: 2050MVA at Exeter Main 400kV 1000MVA at Indian Queens 400kV | | |

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Joint Ventures

If a Tenderer is responding to the ITT as a group / consortium (including any joint venture) (a "Group"), the following information must have been provided in an additional document at EOI 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 (if successful), 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, NESO 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 NESO 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 EOI and ITT stages, 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 EOI Pack and ITT Pack (including any addenda thereto, any clarifications or contact details issued by NESO) 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. NESO requires each Group member to enter the Confidentiality Agreement set out as part of this tender; 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 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 at EOI Stage 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 NESO 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.

NESO 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.

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Appendix C

ITT Pack - Document Checklist

| Long-term 2029 ITT Pack | |
|---|---|
| Document Reference | Tenderer's Required Action |
| LT2029 Invitation to Tender Letter | For information |
| LT2029 Instructions to Tenderers ITT V2 (this document) | For information |
| LT2029 Contract Award Criteria ITT V2 | For information |
| LT2029 Query Log | For submission of any queries during ITT window |
| LT2029 Eligibility Criteria V1 | For information |
| LT2029 Stability Technical Specification V2 | For information |
| LT2029 Stability Effectiveness Sheet V2 | For information |
| LT2029 Stability Feasibility Study Requirements V1 | For information |
| LT2029 Voltage Technical Specification V2 | For information |
| LT2029 Voltage Effectiveness Tables V2 | For information |
| LT2029 Restoration Technical Specification V1 and supporting document: <ul style="list-style-type: none"> LT2029 ESR Operational Metering Commissioning Assessment and Testing Guidance V4 | For information |
| LT2029 Connections Requirements V2 and supporting documents: <ul style="list-style-type: none"> LT2029 Connections RAG V1 LT2029 NGET Non-Operational Land Information V1 LT2029 NGET Connection Feasibility Report | For information |
| LT2029 Services Agreement zip file, containing the following documents: <ul style="list-style-type: none"> General Terms & Conditions inclusive of Schedules 1 through 7 Contract Form Acceptable Security Templates <ul style="list-style-type: none"> Letter of Credit Parent Company Guarantee (PCG) | For information |
| LT2029 Indicative Payment Calculator V1 | For information |
| LT2029 Consultation Feedback Proforma V1 | Optional submission |

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|--|--|
| LT2029 Eligibility Criteria Proforma V1 | For submission – commercial participants only |
| LT2029 Stability Technical Proforma V1 (commercial participants only, stability service bids only) | For submission where bidding in for the stability service – commercial participants only |
| LT2029 Stability Feasibility Report V1 (commercial participants only, stability service bids only) | For submission where bidding in for the stability service – commercial participants only |
| LT2029 Voltage Technical Proforma V1 (commercial participants only, voltage service bids only) | For submission where bidding in for the voltage service – commercial participants only |
| LT2029 ESR Technical Proforma V1 (commercial participants only, ESR bids only) | For submission where bidding in for the ESR service – commercial participants only |
| LT2029 ESR Feasibility Study Requirements V1 (commercial participants only, ESR bids only) | For submission where bidding in for the ESR service – commercial participants only |
| LT2029 Project Delivery Proforma V1 (commercial participants only) | For submission – commercial participants only |
| LT2029 Contract PTMs Proforma V1 (commercial participants only) | For submission – commercial participants only |
| LT2029 Commercial Submission Proforma V1 (commercial participants only) | For submission – commercial participants only |
| LT2029 Tenderer Declaration V1 (commercial participants only) | For submission – commercial participants only |
| LT2029 Network Owner Proforma V1 (Network owners (TOs) only) | For submission – Network Owners only |

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Appendix D

Please see below a summary table of feedback received during the EOI and Consultation Stage and NESO's views on them. Please note that the feedback has been summarised and anonymised to protect confidentiality.

| Topic | Feedback | NESO Response |
|--|---|---|
| Eligibility Criteria | Existing assets (without additional capability investment) should be allowed to bid in for the voltage service and / or the restoration service as well as the stability service. | NESO have set the eligibility criteria based on the identified needs. NESO do not intend to change the eligibility criteria based on this feedback. |
| Eligibility Criteria | Only new assets should be allowed to bid in for the Long-term 2029 tender (regardless of which service they are bidding in for). | NESO have set the eligibility criteria based on the identified needs. NESO do not intend to change the eligibility criteria based on this feedback. |
| Eligibility Criteria/Connections Requirements | NESO received feedback that there is a lack of clarity on the connection requirements and the service-specific eligibility criteria and what is defined as 'existing'. | To be considered for any given service, bidders will need to meet the service-specific eligibility criteria (as set out in each technical specification). In addition to this, bidders will need to meet one of the connection requirements. Which of the connection requirements a bidder relies on based on their proposed project is at their discretion. NESO hope this clarity helps. |
| Connections Requirements | NESO should allow an exception to the connections process to enable connection applications (whether new applications or modification applications) to enable Long-term 2029 bids | NESO have considered this suggestion. After detailed deliberation, the decision has been made to not allow any additional 'exceptions' or 'special permissions' beyond the current connections processes to allow applications (whether for new connections or modifications) for the purpose of enabling Long-term 2029 bids. Please see the Connections Requirements document for more information, specifically Section 6. |
| Connections Requirements / Tender Timelines | The Connections Reform Gate 2 to Whole Queue process is occurring in parallel to the Long-term 2029 tender process. NESO should update the tender timeline (by extension or delay) to better align to the connections reform timelines to allow connections reform to complete prior to tender completion | NESO have considered this feedback suggestion. We appreciate the point that the Gate 2 to Whole Queue process timelines and Long-term 2029 timelines are in parallel and for some this creates uncertainty. At this time, NESO will not be changing the tender timelines for Long-term 2029. However, NESO will continue to monitor how connections reform progresses and should there |

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| | | |
|--|--|---|
| | | be a need to update timelines NESO reserves the right to do so. |
| Connections Requirements – Reserved Bays | Currently there is no MW headroom associated with the reserved bays. There is only the ability to mod-app later to secure MW after securing a connection for the reserved bay. NESO should secure MWs with the reserved bays. | As part of the reserved bays studies, at NESO's request the relevant TO has considered if there is any MW headroom available. Please refer to the Connections Requirements document and the published NGET Connection Feasibility Report (when available) for more details about the reserved bays, and for the outcome on the MW studies. |
| Tender Timelines / LDES Cap & Floor | Ofgem is running an LDES C&F allocation process throughout 2025, with initial C&F regime award expected in Q1 2026. It was recommended that NESO align its timeline for decision on the LT2029 award to be after Ofgem's initial LDES C&F award. Alternatively, it was suggested NESO must explicitly allow bids to be submitted which are contingent on award of an LDES C&F. | At this time, NESO has decided to leave the tender timelines as they currently are. Furthermore, NESO do not plan to allow 'conditional' bids. Instead, bidders who have decided to bid into the LDES C&F process should factor this into their bids at their commercial discretion. However, NESO reserve the right to update timelines as may be necessary as part of the tender process. |
| Contract Award Criteria: Stage 4 Delivery Criteria | Stage 4 Delivery Criteria Adjustment Factor: It was suggested that the 180 days maximum adjustment is not sufficient to reflect the benefits and risks of proposed projects that can deliver with high degree of confidence. | NESO has considered this feedback when finalising the Contract Award Criteria for the ITT Stage. NESO has decided that the assessment criteria and methodology set is appropriate for NESO's view of perceived risks and will be leaving the adjustment factor formula as is. |
| Contract Award Criteria / Payment Mechanism: Price Base | Currently prices are requested in 2029 base prices. NESO is encouraged to request pricing in 2025 base prices, with indexation from 2025. NESO has previously adopted this approach on other pathfinder tenders. | NESO has considered this suggestion. At this time, we do not plan to change the requested price base to 2025 as opposed to 2029. 2029 has been selected as that is when service delivery is sought from. |
| Payment Mechanism: Availability Fee Only | Feedback was received suggestions that utilisation fees should be included in addition to availability fees. | NESO has considered this suggestion. We do not plan to change the payment mechanism. NESO's view is that due to the long-term nature of the contract, with no guaranteed view of utilisation across the long-term contract, an availability fee only approach is more appropriate. |
| Contract Award Criteria: Economic Assessment | On page 28 of the Contract Award Criteria published at EOI stage, it states the infrastructure costs will be split across the services where a | NESO has considered this suggestion and appreciate the point being made. The alternative would be to apply the full infrastructure cost to each service |

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| | bidder bids for multiple services. This is only relevant if the bidder is then successful for both services. | where a bidder bids in for multiple services. This could then apply that cost 3 times when it only materialises once if they are successful for all services. NESO's view is the adopted approach is most appropriate. |
| Tight timelines | NESO has received feedback that the EOI stage timelines felt tight / rushed. | <p>NESO acknowledge the timelines feedback. This will be considered when launching future tenders.</p> <p>NESO would like to use this opportunity to remind bidders that extension requests can be submitted to NESO where bidders feel more time is needed. Where extensions are requested, they should be in advance of any submission deadlines to allow consideration by NESO and time for any decisions to be communicated.</p> |

Publicly Available Glossary

| Term | Explanation/Definition |
|------------------------------------|--|
| 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. |
| Contract Award | The point in time where NESO confirm to bidders that they have been successful in the tender and will receive a contract. |
| Contract Countersignature | The point in time where NESO countersigns the successful contracts, following Contract Signature. |
| Contract Signature | The point in time where the successful bidder signs their Long-term 2029 contract(s). |
| EOI Pack / ITT Pack | Suite of documents published at EOI stage / Suite of documents published at ITT stage. |
| Expression of Interest (EOI) stage | The window of time for companies to express their interest in participating in the Long-term 2029 tender process. |
| Facility | The term used to refer to the asset that is enabling the provision of the contracted service 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 of one another. The delivery of one does not impact the delivery of another. |
| Invitation to Tender (ITT) stage | The window of time for any company that was successful at EOI stage to develop their tender submission, ending with the tender submission deadline. |
| Market participant | Any third-party commercial entity who might participate in this tender. |
| Mutually exclusive | When only one solution out of two or more proposed solutions could be selected and therefore are mutually exclusive. The delivery of one impacts or prevents the delivery of another. |
| NESO | National Energy System Operator Ltd |
| Network owner | Any Transmission Owner e.g., NGET who might participate in this tender. |
| Non-zero-MW (non-0MW) solution | A solution which can provide stability and/or 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. |
| 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 either the stability requirement, the reactive power requirement, or both. E.g.: A 200MVAR reactor connecting at Substation X. 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 Substation X, Solution 2: a 100MVAR reactor connecting at Substation X |
| Tender / Tender Process | The end-to-end sourcing process for Long-term 2029 requirements from EOI through to Contract Award. |
| Tender Submission | The overall proposal (both technical and commercial) made by a bidder in response to the Invitation to Tender. May include multiple solutions. |
| Zero-MW (0MW) solution | A solution which can provide stability and/or 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. |