|  |  |
| --- | --- |
| **Transmission Constraint Management Requirement Notice:**  **Invitation to Tender Pack, Letter 1** | Steve Miller  Senior Contracts Manager  [steve.k.miller@nationalgrideso.com](mailto:steve.k.miller@nationalgrideso.com)  Direct tel: +44 (0)7500 126470 |
|  |  |
| 24 February 2023 |  |
| Issue 1 |  |

Dear Service Provider

**Transmission Constraint Management Requirement Notice - TCMRN/01/23**

The following Transmission Constraint Management Requirement has been identified by National Grid Electricity System Operator Limited (“NGESO”) to manage forecast constraint costs and volumes, arising from asset health, planned outages and forecast system conditions. NGESO is therefore, seeking to procure constraint management services in order to economically and efficiently manage a potential constraint.

There is one optional contract requirement as detailed below. Please note the below requirement is for a voltage only service at minimum output Stable Export Limit (SEL).

With these requirements, there are several other documents to go alongside which will be published on the website:

* Tender submission spreadsheet
* Generic contract terms for optional contract

Please note when providers submit tenders this is on the basis that the contract terms can be delivered. The contract terms will not be amended post tender, please read the contract terms thoroughly before submitting a tender.

**Constraint Requirement**

|  |  |
| --- | --- |
| **Zonal Requirement:** | East Anglia / North London |
| **Potential Service Providers:** | Rye House, Spalding North, Little Barford, Sutton Bridge |
| **Estimated volume required:** | 2 Units to run at SEL overnight |

Service providers are requested to provide prices for the following service(s):

|  |  |
| --- | --- |
| **Service description:** | 1. Voltage Only (Optional) |
| **Service Type:** | Option price without availability component |
| **Term:** | From: 31/03/2023 (23:00) to 26/04/2023 (07:00) |
| **Extension:** | Contracts may need to be extended |
| **Period:** | 23:00 to 07:00 |
| **Payment Rate:** | On days when NGESO enacts the option, NGESO pay-out to unit based on the difference between the day ahead spark spread and pre-agreed strike price (SP) for the contracted period, as detailed in Appendix 4 of the Generic Reactive Markets Optional Agreement. |
| **Notice:** | 15:00 within day for 23:00 same night |
| **Additional notes:** | We require prices for the following options.  Option 1 - where at the time of the instruction, PN < SEL in EFA block 6 and EFA block 3.  Option 2 - where at the time of the instruction, PN >= SEL in EFA block 6 or where at the time of the instruction PN >= SEL in EFA block 3.  Option 3 - where at the time of the instruction, PN >= SEL in EFA block 6 and EFA block 3. |

These requirements are NGESO’s current best view based on OC2 generation availability, demand estimates, asset condition and forecast market conditions. However, if in NGESO’s view the drivers change significantly then NGESO reserves the right to amend or withdraw these requirements. Where appropriate NGESO may republish the tender requirements and revise the relevant timescales accordingly.

**Timescales**

Due to the short notice of this requirement and only two providers are currently able to meet the specific requirement, the timetable is as follows:

|  |  |  |
| --- | --- | --- |
| Business Day 1 17:00 | Friday 24th February 2023 | Requirement published |
| Business Day 11 17:00 | Friday 10th March 2023 | Submission of prices & services |
| Business Day 16 17:00 | Friday 17th March 2023 | Outcome published |
| Business Day 21 17:00 | Friday 24th March 2023 | Contract in place |
| Business Day 26 23:00 | Friday 31st March 2023 | Service commencement (Optional) |

**Submission of Service and Price Offers**

Should a service provider wish to submit service and price offers for these constraint management requirements, these should be submitted to Steve Miller **and** the email address: [commercial.operation@nationalgrideso.com](mailto:commercial.operation@nationalgrideso.com) in accordance with the timescales above.

This process is not governed by NGESO standard contract terms; therefore, the electronic submission of such offers is acceptable providing the above timescales are complied with.

**A template for submissions is provided in Excel format on the constraint management website. Please use this Tender Sheet for your offer submission.**

If there are any technical limitations on your stations ability to deliver this service, please ensure these are included in the tender for consideration in the assessment.

**Publication of Information**

NGESO shall publish and / or announce details of the information submitted for the provision of constraint management from any service provider, and the service provider is required to consent to the disclosure by NGESO of any such information. To this end, NGESO cannot accept an offer from any potential service provider unless they consent to the disclosure of such information.

**Further Information**

For further information and a more detailed explanation of the procurement process for the above or similar requirements, please contact your Market Services Contract Manager.

Yours faithfully

Steve Miller

Senior Contracts Manager