nationalgrid

Transmission Constraint Management Requirement Notice: **Invitation to Tender Pack, Letter 1**	Sarah Hall Account Manager
To All Service Providers	sarah.a.hall@nationalgrid.com Direct tel: +44 (0)1926 654196 Direct fax: +44 (0)1926 656613 www.nationalgrid.com

18 August 2014
Issue 1

Dear Service Provider

TRANSMISSION CONSTRAINT MANAGEMENT REQUIREMENT NOTICE - [VMRN/05/14]

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

Constraint Requirement

Zonal Requirement:	London and South East
Potential Service Providers:	Barking, Coryton, Damhead Creek, Grain, Littlebrook and Medway
Additional Notes:	More than one price structure or service may be offered The default mechanism will continue to be used for the payment of MVarh The standard payment methodology will be used for the response energy payment Under the combined voltage and frequency response service response holding payments will not be due in addition to the contract fee
Estimated volume required:	One unit providing Service 1a or 1b One unit providing Service 2

Service providers are requested to provide prices for the following services:

Service 1a

Service description:	Voltage Only
Service Type:	Firm (Reactive capability at SEL (or lower))
Term:	From: 00:30 01/10/14 To: 06:00 31/10/14
Period:	Weekdays 00:30-06:00 Weekends Saturday & Sunday 00:30 – 07:00 Bank Holidays 00:30 – 08:00
Pricing:	Availability Fee (£/SP)

Service 1b

Service description:	Voltage and Frequency Response
Service Type:	Firm (Generation at part-load point)
Term:	From: 00:30 01/10/14 To: 06:00 31/10/14
Period:	Whole of term
Pricing:	Availability Fee (£/SP)

Service 2

Service description:	Voltage Only
Service Type:	Firm (Reactive capability at SEL (or lower))
Term:	From: 00:30 11/10/14 To: 07:00 19/10/14
Period:	Weekends Saturday & Sunday 00:30 – 07:00
Pricing:	Availability Fee (£/SP)
Extension:	The option to extend on a weekly basis until 02/11/14. Notice by 10:30 on Friday for service commencing at 00:30 the following Saturday

Please note that the above services are based on historic information and any service provider may offer an alternative if it is felt it may meet the requirement. Any new service offer, including prices, will be published as detailed below.

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

Timescales
The timescales for this particular process are as follows:

Business Day 1, 14:00	Monday 18 August 2014	Requirement published
Business Day 10, 17:00	Monday 1 September 2014	Submission of prices & services
Business Day 21, 17:00	Tuesday 16 September 2014	Outcome published
Business Day 29, 17:00	Friday 26 September 2014	Contract in place

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 your Balancing Services Account Manager **and** the email address: commercial.operation@nationalgrid.com in accordance with the timescales above.

This process is not governed by National Grid standard contract terms, therefore the electronic submission of such offers are 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

National Grid 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 National Grid of any such information. To this end, National Grid 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 Balancing Services Account Manager.

Future Requirement

The ongoing voltage constraint management requirement in the South East continues to be under review. Depending on market conditions, we anticipate that further contracts will be required in this area over the coming months.

National Grid is considering an alternative pricing structure based on indexation to fuel and power price spreads for future tenders to provide best value for the consumer. Further information regarding this new approach will be provided in due course.

Yours faithfully

Sarah Hall
Account Manager

Transmission Constraint Management Requirement Notice:
Invitation to Tender Pack, Letter 2

Laura Brock
Account Manager

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To All Service Providers

16 September 2014
Issue 1

Dear Service Provider

TRANSMISSION CONSTRAINT MANAGEMENT REQUIREMENT NOTICE - [VMRN/05/14]

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Term:	From: 00:30 01/10/14 To: 06:00 31/10/14
Period:	Weekdays 00:30-06:00 Weekends Saturday & Sunday 00:30 – 07:00 Bank Holidays 00:30 – 08:00
Pricing:	Availability Fee (£/SP)

Service 1b

Service description:	Voltage and Frequency Response
Service Type:	Firm (Generation at part-load point)
Term:	From: 00:30 01/10/14 To: 06:00 31/10/14
Period:	Whole of term
Pricing:	Availability Fee (£/SP)

Service 2

Service description:	Voltage Only
Service Type:	Firm (Reactive capability at SEL (or lower))
Term:	From: 00:30 11/10/14 To: 07:00 19/10/14
Period:	Weekends Saturday & Sunday 00:30 – 07:00
Pricing:	Availability Fee (£/SP)
Extension:	The option to extend on a weekly basis until 02/11/14. Notice by 10:30 on Friday for service commencing at 00:30 the following Saturday

Assessment and Results

Tenders were received on behalf of Grain, Coryton, Medway, Littlebrook and Ryehouse. However since publication, we have subsequently refined our requirement in light of our plant running forecast and have concluded not to award contracts to any of the tenders proffered. The ongoing voltage constraint management requirement in the South East continues to be under review and we would like to thank those who have taken the time to participate in this tender round.

Please note: a summary of all rejected tenders can be found at Appendix One.

Future Requirement

For future tenders, it remains National Grid's intention to consider alternative pricing structures based on indexation to fuel and power price spreads in order to guarantee best value for the consumer. Further information regarding this new approach will be provided in due course.

Further Information

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

Yours faithfully

Laura Brock
Account Manager

Appendix One – Rejected Tendered Data

BMU ID	T_RYHPS-1	T_GRAI-8	T_GRAI-8	T_GRAI-8	T_COSO-1	T_COSO-1	T_COSO-1	T_MEDP-1	T_MEDP-1	T_MEDP-1	T_MEDP-1	T_MEDP-1	T_MEDP-1	T_MEDP-1	LITTD-1 / 2
Service	1b	1a	1b	2	1a	1a	1b	1a	1a	1b	1b	1b	2	2	1a
Availability Fee (£/sp)	2,450.00	3,632.46	1,359.05	3,684.98	1,611.00	2,490.00	1,542.00	1,832.00	2,887.00	2,199.00	1,679.00	1,418.00	4,485.00	5,137.00	12,765.00
MW Level	540	230	350	230	220	440	520	170	340	410	595	650	170	340	80
MVAr Range Lead:Lag	380:361	187:220	187:220	187:220	192:397	192:397	279:589	249:335	383:478	394:451	407:373	408:340	249:335	383:478	330:470
Primary Response @0.2Hz	27		26				20			30	30	30			
Primary Response @0.5Hz	42		58				40			76	76	35			
Primary Response @0.8Hz	51		58				50			76	76	35			
Secondary Response @0.2Hz	42		32				60			48	48	38			
Secondary Response @0.5Hz	51		60				140			105	105	50			
High Response @0.2Hz	30		32				17			31	31	31			
High Response @0.5Hz	39		65				40			79	79	79			

END