

Welcome to our Flexibility Services Summer Tender Special Edition

In this news update you'll find details of our upcoming Summer Tender: we will be covering our requirements for flexibility services, key dates, changes to the processes for prequalification and contracting, and useful hints and tips about Pico.

We aim to provide you with information that's interesting and relevant, so we're always interested in your feedback and what you'd like to hear more about. Contact us at flexibility@northernpowergrid.com

Summer Tender

This is the second of our three tenders in 2024. We are seeking to procure up to 4.1MW of flexibility across up to 29 locations for winter 2024/25 and winter 2025/26.



We are aiming to procure flexibility at the locations that were tendered in Autumn 2023, and at locations which were tendered in Spring 2024 where our requirements weren't completely fulfilled.

We are also bringing to the market a new requirement for 0.3MW to support our Kirkburn primary substation in the Driffield area of east Yorkshire.

Flexibility Requirements

The service windows are for Winter 24/25 and Winter 25/26.

We are seeking to manage demand constraints at three primary substations and 26 distribution substations and hence are procuring the pre-fault Scheduled Utilisation product. Our requirement is for demand turn-down or generation turn-up.

Additionally, we are looking for expressions of interest at a further six primary substation locations for years starting from 2025/26 through to 2028/29. These competitions are described as 'visibility only' on Pico.

Full details of these requirements, including service windows and guide prices can be found on pages 4 and 5 of this news update.

For some of the locations, the flexible capacity requirement is described as 'up to'; e.g. for Southgate the capacity requirement is 'up to 0.5 MW'. For these locations, the capacity we are looking for in the Summer Tender will depend on how successfully our Spring Tender fulfilled our needs. We expect to be able to confirm the Spring outcomes in mid-July 2024. Then we will update the Summer requirements to a firm capacity, republish these firm requirements, and use them in the ITT and the live competitions on Pico.

This first view of Summer competitions will soon be available on [the Pico Flex dashboard](#). The bidding competitions are annotated as 'SIGNPOSTED FOR INFORMATION ONLY'. After the Spring outcomes are confirmed, we will issue the invitation to tender (ITT) and update the competitions on Pico with the firm requirements for the Summer tender.

Key Dates for your Diary

Outcome of Spring Tender: We anticipate being able to inform bidders in the Spring Tender round of contract awards in mid-July.

- **Dates for Summer Tender Round:** Indicative dates are provided below. Deadline to apply to DPS for pre-qualification: late June/early July
- ITT issued and competitions live on Piclo: late July/early August
- Deadline to confirm asset entry into competitions: August
- Bidding window: late August/early September

What's the same as in previous Tenders?



Just like in our Spring Tender, we are looking to use the Scheduled Utilisation product in the forthcoming Summer Tender and we are seeking to defer network reinforcement at both primary and distribution substations across our region. The competitions will be run on the Piclo platform as before.

Bidders are to propose a baseline as part of the tender process and provide accompanying narrative to explain the proposed baseline. This information should be sent to support@picloflex.com before the bidding window closes.

Changes to Prequalification Process for Quicker Contracting

We are introducing changes to prequalification in order to make the process of contracting as efficient and quick as possible; benefiting both FSPs and Northern Powergrid. These changes enable us to carry out three tender rounds per year and are key to helping us move to nearer to real-time procurement in future.

FSPs will now need to supply information on how they comply with our cyber-security requirements just once, at company prequalification stage, rather than at the bidding stage of each tender.

We are implementing the latest version of the industry standard contract for flexibility services, v3. This operates as an umbrella contract that multiple subsequent awards can be made under. By signing the contract just once at prequalification stage, there will be no need to execute contracts each time an award is made. Instead, a contract award notification will simply refer to the existing signed contract and contain the relevant service and asset details.

Please note that although here we are referring to 'contract' we do contract either as 'Northern Powergrid (Northeast) plc' or 'Northern Powergrid (Yorkshire) plc' depending on the location of the services contracted. This means that there will be two v3 contracts to sign with identical terms & conditions: one with 'Northern Powergrid (Northeast) plc' and the other with 'Northern Powergrid (Yorkshire) plc'.

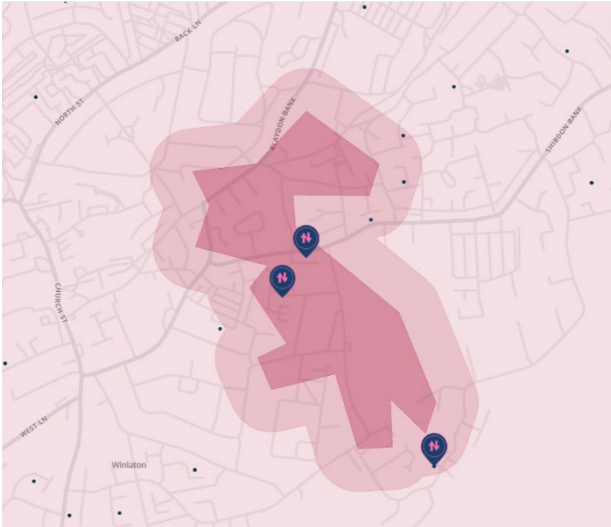
We will be in touch with FSPs who are already prequalified to confirm the actions needed to remain pre-qualified and to be able to take part in our tenders.

What's in the new contract for Flexibility Services?

Developed with stakeholder consultation, **v3 of the standard contract** introduces a number of changes including a cap on liabilities. You can find out more on the changes [here](#).

To implement the industry standard contract in Northern Powergrid, we take the standard contract document and add company specific information on topics such as settlement, invoicing, and cyber security. Please note that since v3 was developed with stakeholder consultation, we will be contracting on the unamended Northern Powergrid v3 contract. i.e. the T&Cs are not negotiable.

Is your asset in a competition zone?



When you upload assets with latitude and longitude into Piclo, your assets are pinned to the map. This enables you to see whether your asset is in the competition zone or in a surrounding 'buffer zone'. If it's in the buffer zone we need to check whether it would be eligible to take part in the competition.

We are keen to provide as much certainty as we can for FSPs about whether their assets are in a competition zone. We have reviewed the connectivity of assets in buffer zones across a number of HV and LV competition zones. As a result of this we have reduced the width of HV buffer zones from 0.5km to 0.1km, and we won't be using buffer zones for LV zones. This should provide FSPs with the answer more quickly for more of their assets to the question 'can my asset take part in this competition?'

We will continue to monitor and refine this approach to asset validation and prequalification.

Did you know that....

.... you can specify a 'maximum runtime' when submitting a bid. For example, If the competition service window is four hours long, but the longest your assets can deliver the service is two hours, you can still bid. Just specify a max runtime of two hours.

.... you can register planned assets on Piclo and enter them into competitions.

.... you can submit 'split bids'. Instead of submitting one bid per service window for the entire capacity of your asset, you can split that capacity into smaller amounts. This allows you to offer different prices against subsets of capacity.

.... as well as viewing the competitions on the Piclo Flex dashboard, you can download data files with details of the competitions and their map polygon or postcode data on the 'documentation' tab [here](#)

How to participate in our flexibility tender

Step 1: If you're new to Piclo Flex please [create an account](#). Once you have your account, we recommend that you upload your flexibility assets. Find out more about uploading assets [here](#).

Step 2: If your organisation is not already pre-qualified to provide flexibility services to Northern Powergrid, you should apply for company qualification before the Dynamic Procurement System (DPS) closes. Find out more about the DPS application [here](#).

Step 3: Once you have passed company qualification and uploaded assets in competition zones, you will be ready to [complete competition qualification](#); i.e. to confirm entry of assets into the competitions you wish to bid into..

Step 4: Submit a bid during the bidding window Find out more about submitting a bid [here](#).

When the ITT is published, this will include an instructions to bidders document and we recommend that you read this carefully.

Contact us

We're very happy to chat with new or existing flexibility service providers. If you have any questions or would like to set up a 1-2-1 meeting with one of our team, email us at flexibility@northernpowergrid.com.

Contact support@picloflex.com for help with setting up your account or using Piclo.

Requirements for Summer 2024 tender follow on the next page

Signposting of Requirements for Summer 2024 Tender

Table 1: HV Flexibility Needs

Flexibility Services to be provided by assets connected at or below 11kV

The capacity requirements for Southgate and Crowle are ‘up to’. Dependent upon the outcome of the Spring tender, the requirement tendered may be less than this.

					When flexibility is required			Utilisation ceiling price £/MWh
Location	Zone (Substation)	Capacity Requirement (MW)	Year	Service Start Date	Months	Days	Hours	
Market Weighton	Southgate 33/11kV	Up to 0.110	2024/25	01-Dec-24	Dec	Mon - Fri	17:00-20:00	£1,200
		Up to 0.500	2025/26	01-Dec-25	Dec, Jan	Everyday	16:30-20:00	£1,200
Driffield	Kirkburn 66/11kV	0.300	2024/25	25-Nov-24	Nov-Jan (1)	Mon - Fri	14:30-18:00	£1,200
		0.300	2025/26	24-Nov-25	Nov-Jan (2)	Mon - Fri	14:30-18:00	£1,200
Scunthorpe	Crowle 66/11kV	Up to 0.390	2024/25	01-Dec-24	Dec, Jan	Everyday	10:30-20:30	£141
		Up to 0.700	2025/26	01-Dec-25	Dec, Jan	Everyday	17:00-21:00	£248

- (1) Kirkburn 2024/25 service windows are Monday, 25th November 2024 – Friday, 20th December 2024, and Monday, 6th January 2024 – Friday, 31st January 2025 (inclusive)
- (2) Kirkburn 2025/26 service windows are Monday 24th November 2025 – Friday, 19th December 2025 and Monday, 5th January 2025 – Friday, 30th January 2026 (inclusive)
- i.e. the two weeks around Christmas and New Year are excluded.

Table 2: Call for Expressions of Interest in Providing HV Flexibility Services

We are calling for expressions of interest in providing services at these locations, to be provided by assets connected at or below 11kV.

				When Flexibility is Required		
Location	Zone (Substation)	Capacity Requirement (MW)	Year	Months	Days	Hours
Middlesborough	Faraday St	0.72	2027/28	Oct - Mar	everyday	10:30 - 20:30
Market Weighton	Holme upon Spalding	0.12	2025/26	Oct - Mar	everyday	10:30 - 20:30
Whitley Bay	Monkseaton	0.77	2026/27	Oct - Mar	everyday	10:30 - 20:30
Leeds	Moor Rd	0.76	2027/28	Oct - Mar	everyday	10:30 - 20:30
Ripon	Ripon	0.99	2028/29	Oct - Mar	everyday	10:30 - 20:30
Harrogate	Starbeck	0.92	2025/26	Oct - Mar	everyday	10:30 - 20:30

Table 3a and 3b: LV Flexibility Needs

Flexibility services to be provided by assets connected at or below 415V.

The capacity requirements are indicated in the table below and are the same in 2024/25 and in 2025/26.

Capacity requirements that are described as 'up to' are dependent upon the outcome of the Spring tender. The requirement tendered may be less than this and may be different in 2024/25 and in 2025/26.

Table 3a: Where LV Flexibility Services are to be Provided

Location	Zone (Substation)	Capacity requirement (MW)
1 Beamish	Lime Street	up to 0.100
2 Bradford	Thornbury Avenue	up to 0.100
3 Chester Le Street	Chester Le Street	up to 0.100
4 Chester Le Street	Whitehall Park North	up to 0.100
5 Chester Le Street	Birtley Windsor	0.100
6 Cramlington	Barras	0.100
7 Doncaster	Hazel Road	up to 0.100
8 Doncaster	Westfield Park	up to 0.100
9 Doncaster	Yarborough Terrace	up to 0.100
10 Durham	Woodbine Road	up to 0.100
11 Gateshead	Makepeace Terrace	0.100
12 Gateshead	Wardley Hall	up to 0.100
13 Gateshead	Winlaton East	up to 0.100
14 Leeds	Bellbrooke Avenue 2744	0.100
15 Leeds	Cowper Terrace	0.100
16 Leeds	Hamilton Place 2757	0.100
17 Leeds	Maxwell Street 2938	0.100
18 Seahouses	Seahouses South	0.100
19 South Shields	Boldon Lane South	up to 0.100
20 South Shields	Marlborough Street	up to 0.100
21 Stanley	Pontop Pike	0.100
22 Stockton on Tees	Barwick Lane	up to 0.100
23 Sunderland	Barnes Park	up to 0.100
24 Sunderland	Boldon Drive	up to 0.100
25 Sunderland	Southend Road	up to 0.100
26 York	Garden Street	up to 0.100

Table 3b: Requirements and Pricing for LV Flexibility Services at Zones Specified in Table 3a

Year	Service Start Date	When Flexibility is Required			Utilisation Ceiling Price £/MWh
		Months	Days	Hours	
2024/25	01-Nov-24	November to February	Monday to Friday	16:00 - 20:00	£17
2025/26	01-Nov-25	November to February	Monday to Friday	16:00 - 20:00	£17