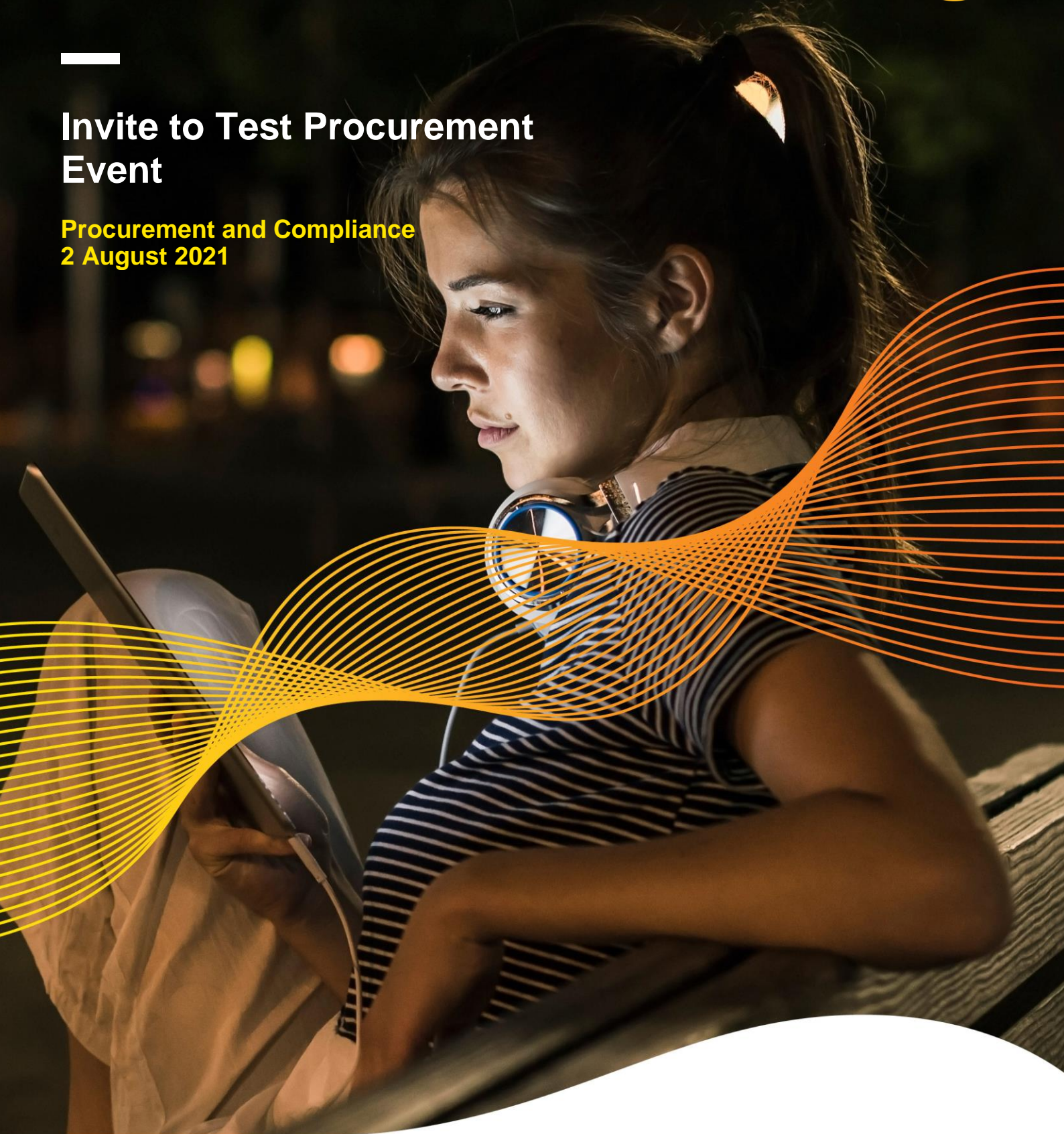


Distributed ReStart



Invite to Test Procurement Event

Procurement and Compliance
2 August 2021



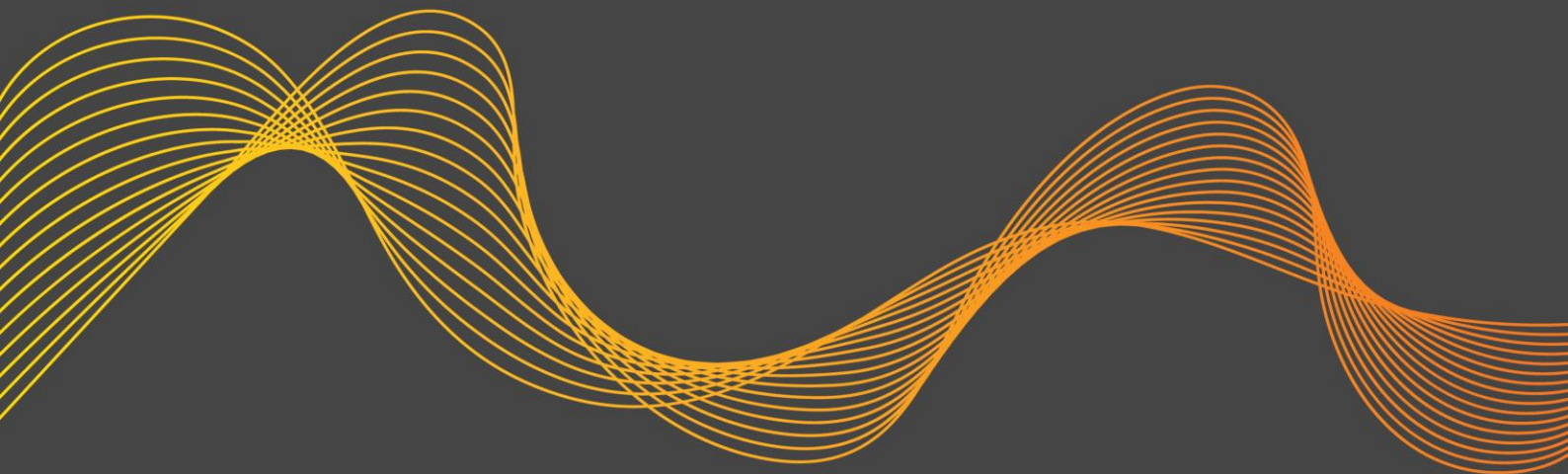
In partnership with



nationalgridESO

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Background and instructions



The Distributed ReStart project is a partnership between National Grid Electricity System Operator (NGESO), SP Energy Networks (SPEN) and TNEI (a specialist energy consultancy). The project is exploring how distributed energy resources (DER) can be used to restore power in the highly unlikely event of a total or partial shutdown of the National Electricity Transmission System.

The enormous growth in DER presents an opportunity to develop a radically different approach to system restoration. Greater diversity in Black Start provision will improve resilience and increase competition leading to reductions in both cost and carbon emissions. However, there are significant technical, organisational and commercial challenges to address.

Background – Procurement and Compliance (P&C)

The Distributed ReStart project is trying to develop a viable route to market, that ensures value for end consumers through transparency, competition and increased participation. The P&C workstream is aiming to develop a fit-for-purpose, stakeholder endorsed, end-to-end process.

This has been carried out following extensive stakeholder engagement to seek feedback on the proposed procurement process, requirements to enter and rules of play within a distribution restoration zone (DRZ). The next step now, is to share mock tender documents to draw in data in order to test the assessment criteria and probability of creating a mock DRZ.

Aims of the Test Procurement Event

The existing principles of Black Start procurement remain relevant to the DER restoration approach, which are to provide:

- a clear and transparent service requirement;
- enablement of competition and;
- a reduction or removal of barriers to entry.

In order to meet these principles, it is important that we continue to test our thinking and designs with potential DER providers to understand where there might be gaps and to co-create a future procurement process that works best for different technologies.

Key dates for the Test Procurement Event

28 July 2021

Test Procurement Event launch webinar

2 August 2021

Mock tender documents released

18 August 2021

Mid-point webinar for Q&As

6 September 2021

Deadline for submissions

September 2021

Outcomes shared and final feedback webinar

This Test Procurement Event hopes to:

- test the designs of the proposed procurement process to see if it works as intended
- check if the materials shared are fit for purpose and clear, by listening to and understanding the experience of participants in the event
- get good quality, as close to real, submission data from a variety of different DER providers, which will test the proposed assessment criteria and rules of play
- check whether the outcomes would lead to contracting with a fit for purpose DRZ solution.

The deadline for submitting your information is 6 September 2021 at 09:00.

Caveats and assumptions

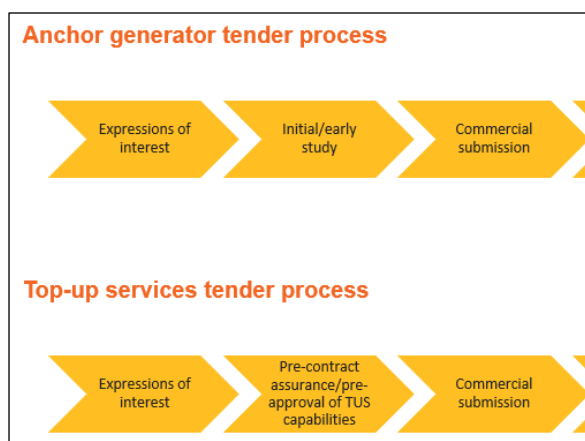
As the workstream continues to refine the design of this process, there are certain caveats and assumptions to be aware of.

- This is a test exercise, no contracts will be awarded at the end of the event.
- All the information and materials being shared are still a work in progress – these are not the final materials that will be used in a proper tender process.
- Our final recommendations will be shared through the Procurement and Compliance Final Report due in December 2021.
- As this is an Ofgem Network Innovation Competition project, part of the requirements is for us to publish the outcomes of our stakeholder engagements. However, please remain assured that we will not publish or share, any commercially sensitive information with anyone outside of the Distributed ReStart project team.
- The success of this event relies on provision of quality, and as close to real, data in the submissions. We are not expecting participants to undertake detailed studies.
- You must consider that when a Black Start service is used, it is during a blackout. There is no power on the systems, both distribution and transmission, and the electricity markets will be suspended.
- You may submit data to bid in for anchor generator, top up services or both. If you bid for both, then during our assessment, we will handle your data as two separate bids. The Mock Tender Requirements Document stipulates what these roles cover.

How the Test Procurement Event will work

The proposed procurement process map for Distributed ReStart can be found [here](#) and a recording explaining it is [here](#).

Please read the final section of this document, “The tender stages in our proposed procurement process”. For the purpose of this exercise, the following stages have been combined for both anchor generator and top up service mock bids:



The assessment criteria will be applied to the information received from participants that can be readily provided without the need for detailed feasibility studies. The project is not expecting you to make any extra investments to provide data for this test event.

When this process is implemented into business as usual, information will be requested at each of the stages separately, with different levels of detail to enable a steady filter out of potential service providers.

The suite of mock tender documents in this Test Procurement Event are:

1. [Invite to Test Procurement Event \(this document\)](#)
2. [Appendix 1 – Mock Tender Requirements Document \(information\)](#)
3. [Appendix 2 – Mock Tender Submission Template \(to be completed\)](#)
4. [Appendix 3 – Event Feedback Form \(to be completed\)](#)

As a participant, you will receive all the documents by email. Please take the time to familiarise with both ‘information’ documents before you commence completing the Mock Tender Submission Form. There is also an Event Feedback Form to gather your thoughts on the information requested. This is important as it will help highlight where there are further areas for improvement.

In the next page, the table will explain the purpose of the mock tender documents in more detail.

Once the submission deadline has passed, all the mock bids will be put through the proposed assessment criteria, which is detailed in Appendix 1.

We will share the outcomes of the mock assessment with participants and at the end of the Test Procurement Event, there will be a lessons learnt session to come together as a group to discuss improvements to the proposed procurement process.

What we want to test

This information will be drawn out from your submission and feedback, however in summary we are interested in understanding:

1. Do the procurement designs and materials make sense, and can you provide us with meaningful data to test the assessment criteria with it?
2. Your feedback on the content of the Mock Tender documents
3. Depending on whether you are applying for an anchor generator or top up service, can you make an informed decision on which services to tender for?
4. What the costs associated with providing these requirements are, through existing capabilities and any future investments?

Documents and next steps



Purpose of the mock tender documents

Document	Purpose and what we are testing
Appendix 1 - Mock Tender Requirements Document	Use this document for: <ul style="list-style-type: none">• Understanding the functional requirements and related parameters, why they are important to the service and why they are set at the agreed limits• Understanding the draft assessment criteria, a high-level summary of the proposed feasibility assessment process and some of the contract principles.• The information contained in this document is still a work in progress and will be updated following feedback.
Appendix 2 - Mock Tender Submission Template	Use this document for: <ul style="list-style-type: none">• Developing your mock tender submission depending on which service you wish to bid for.• Understanding of what type of information could be requested in a tender event.
Appendix 3 - Event Feedback Form	Use this document for: <ul style="list-style-type: none">• Providing feedback, both general and specific, on the various mock tender documents, for example on what information can/cannot be provided and the reasons why.• Highlighting any gaps in our approach to improve on.

Next steps

Please proceed to read the remainder of this document to understand the proposed procurement process.

Review Appendix 1 – Mock Tender Requirements Document.

Fill in Appendix 2 – Mock Tender Submission Template and Appendix 3 – Event Feedback Form, then return to: Roopkamal.Phull@nationalgrideso.com and Hannah.Rochford1@nationalgrideso.com

If you have any queries about the Test Procurement Event or the information in this document, please contact the team:

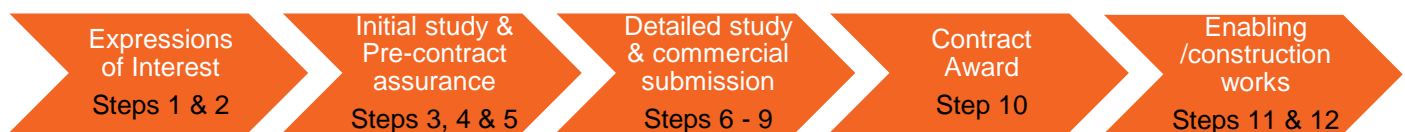
Roopkamal.Phull@nationalgrideso.com and Hannah.Rochford1@nationalgrideso.com

The tender stages in our proposed procurement process



In the designed procurement process for Distributed ReStart, the tender process is proposed to be divided into the stages below.

Please bear the below process in mind when developing your mock tender submissions. Would this process facilitate you in development of a service? Is there enough time at each stage? The timings in the below process are continuing to go through stakeholder engagement, and we welcome feedback on any of the below process.



The full proposed procurement process map for Distributed ReStart can be found [here](#) and a recording explaining it is [here](#), below is a summary of stage in the proposed procurement process:

1. Regional tender campaign started and Expressions of Interest (EOI) requested.
2. After 2-3 months, deadline for submitting the Expression of Interest. Lead Procurement party assess the submissions for eligibility. The “rules of play” may be applied here to assess the availability of feasible DRZs from the submissions.
3. The formal invitation to tender will be released to all providers who have met the EOI submission deadline and met the minimum requirements. At this stage, all other tender documentation will be available, and the feasibility process will commence.
4. Initial Study (for anchor generator) and Pre-contract assurances (for top up services) - This should summarise the known information about the plant, and its capability or potential to provide a Black Start from DER service.
5. After 3-6 months, the deadline to submit the initial study for anchor generator, and between 1-2 months for the assurances for top up services, is reached.
6. Outcome from the Initial study and Pre-contract assurances - After reviewing the submissions, those providers who meet the agreed standard outlined in the assessment criteria will proceed to the next stage.
7. Detailed study and commercial submissions – This combined bid submission should sufficiently prove that the provider’s plant does have Black Start capability or will have Black Start capability subject to proposed changes, alongside with the costs. This may require coordination between anchor generators, top-up services and the relevant DNO.
8. After a 6-month period to conduct the detailed study and understand costs, the deadline to submit is reached. This deadline would be for both anchor generator submissions and top-up service submissions.
9. Assessment of the detailed technical studies and commercial submissions - Following tender submission, all tenders will be reviewed, and clarifications specific to tendered information, both technical and commercial, will be issued to individual providers. All tenderers will be given the same amount of time to respond to clarifications on their tenders.
10. The assessment criteria will be applied to tender submissions and a merit stack for each DRZ will be produced. Contract(s) will be awarded, and the decisions will be communicated to tenderers.
11. Enabling/construction work phase - We are allowing 6-12 months for the upgrading of assets/installations where this is required. This period of time will also include any upgrades or installations to the relevant Distribution Network Operator’s (DNO) network.
12. Service Commencement - Once construction has completed, the contracts for a DRZ will commence following successful completion of any commissioning tests. The contract is for 5 years.