

# **Flexibility Services**

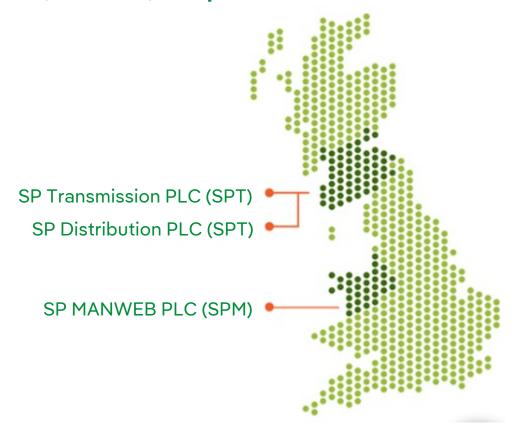
# **Autumn 2023 Tender Webinar**

15/11/2023

## Who we are



We are SP Energy Networks, we own and operate distribution networks in Southern and Central Scotland, Merseyside, Cheshire, Shropshire and North Wales.



#### **Our Networks:**

- Distribution (240V-132kV)
- Transmission (132kV-400kV)
- Radial and meshed network
- 3.5m customers
- Rural and cities

Our strategic vision is to "maintain a safe, secure and reliable network by efficiently delivering the capacity our customers need to decarbonise, in the timescales they need it – so that they can use LCTs immediately and at full capacity"

# **Flexibility Procurement Introduction**



SP Energy Networks have been tendering for Flexibility Services since 2019 and are committed to facilitating and developing the market to enable flexibility to be used effectively to support our networks.

We tendered for flexibility services in all locations identified as requiring a network intervention, requiring 1.4GW across 1554 locations, at all voltage levels for the full ED2 period (2023 – 2028).

We accepted bids for 555MW.

In Autumn 2021, we re-tendered for locations with requirements for 2022/23 and 2023/24 but received a very low response.

In 2022, we paused our tendering activity to assess and develop our processes for future procurement and operation of flexibility services.

Earlier this year, we launched our Spring 2023 flexibility tender and **secured 13.5MW across 24 locations.** 

We will continue to run a rolling tender programme to fill any outstanding requirements and also any new requirements identified.

# **Autumn 2023 Tender – Requirements Summary**



## We have now issued our second tender (Autumn 2023) for Flexibility Services:

#### **Total Capacity**

SPD: 224MW 299 Locations SPM: 76MW 276 Locations

#### Voltage

All Voltage Levels (132kV / 33kV / 11kV & LV)

#### **Products**

All Products plus Reactive

#### **Service Windows**

From April 24 to October 25

	SP DISTRIBUTION			SP MANWEB			
	33kV	11kV	LV	132kV	33kV	11kV	LV
Sustain			19.8MW 274 Locations				22.8MW 260 Locations
Secure	1.05MW 1 Location	45.8MW 21 Locations		3.1MW 1 Location	10.78MW 3 Locations	31.8MW 11 Locations	
Dynamic					4.9MW 1 Location		
Restore	157.6MW 3 Locations						
Reactive					2.9MVar 1 Location		

Contracts for single or multiple service windows available

Total Estimated Value:
Up to £5m

#### **Autumn 2023 Tender - Process**



#### LAUNCH TENDER

- · 30th October
- Locations, Service Requirements & ITT

#### PRE-QUALIFICATION

- 30<sup>th</sup> October to 8<sup>th</sup> December
- DPS
   Registration
   and asset pre qualification
   required

#### BIDDING WINDOW

- 11<sup>th</sup> December to 15<sup>th</sup> December
- Providers to submit bids for pre-qualified assets

#### BID ASSESSMENT

- 18<sup>th</sup> December to 26<sup>th</sup> January
- Evaluation of bids as part of optioneering assessment

#### CONTRACT AWARD

- 5th February
- Bids accepted / rejected via Piclo platform and contracts issued.

#### **BIDDING RULES:**

#### Flexible Capacity

can offer the flexible capacity at a single price or split into smaller volumes but at different prices

#### **Service Windows**

must be for whole Service Window of the competition

#### Service Duration

assets may not run for entire service times but must meet minimum duration

#### Service Period

bids can be submitted for individual year

#### **STATUS OF ASSETS:**

We will consider bids from Providers who own and operate assets:

- **V** 
  - already connected to our network
- - in development or planned
- who will recruit assets to meet requirements
- participating in other ancillary service markets providing no conflict in contract requirements exist

# **Update since Spring 2023**



Since April, we have enhanced our flexibility procurement process to create a more seamless end-to-end experience for our participants.

Overview of the End to End flexibility Process, including application of current support systems

## Requirements

Procurement

Dispatch

Settlement

Issue & manage flexibility tenders and competitive procurement process, bidacceptance & contract award.

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Monitoring service availability, coordinating dispatch notifications, and managing utilisation of services.

Verification of utilisation, reporting and financial settlement of services provided



piclo<sup>®</sup>

Updated standard Pre-Qualification Questionnaire in line with other DNOs

## Autumn 2023 Tender - Where can I find further information?



# All ITT documents available at: piclo.energy/profiles/sp-energy-networks

# Product Resources V Media V Company V Regions V SPEnergy Networks Current Tender Documents Autumn 2023 - Invitation to Tender Autumn 2023 - ITT Appendices

# View eligible locations and register assets: picloflex.com



Please contact <u>flexibility@spenergnetworks.co.uk</u> if you require any further information about our tender processes or have any further queries.

# **Any questions?**