

Bid Assessment

To meeting network needs in the optimal way, we fairly and impartially assess different types and combinations of interventions (e.g. flexibility, smart, reinforcement), and how they could be coordinated with other interventions to reduce customer cost and disruption.

After the bidding window has closed, for each bid submitted we will assess: the technical parameters; the overall value of the service offered; and competing bids. Once we know the cost and availability of flexibility services, we will compare it to other potential solutions and impartially identify the optimal intervention, or combination and sequence of interventions, for each individual constraint.

Operational

- Can the services offered technically manage constraint (e.g. is there sufficient capacity and will the assets be operational in time).

Risk Assessment

- Assessment of the risks associated with using the services offered (e.g. reliability and consequences of non delivery).

Cost

- Consider the most efficient mix from the bids received (e.g. costs of competing bids to provide required capacity).

Optioneering

- Optioneering and investment assessment with competent bids evaluated against all other options to ensure the most economic and efficient solution is provided.

Note:

SPEN may accept higher bids if a Provider is able to meet all requirements, compared to a lower cost bid where only part requirements are offered and may vary the above methodology when assessing technical restrictions of individual assets. To meet network needs, SPEN may procure more, or less, than the tendered requirements based on the bids received. This capacity will be assessed against the total budget for the Constraint Location.

Should insufficient capacity be bid for individual Constraint Locations, SPEN reserves the right to reject all bids within the zone pending review and possible re-tender.

Dispatch of Flexibility Services will be in accordance with the published Dispatch Principles which will take account of contracted rates.