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Tender Torness to Hawthorn Pit HVDC Link

National Grid Electricity Transmission PLC SP Transmission PLC

F05: Contract notice – utilities Notice identifier: 2022/S 000-002953 Procurement identifier (OCID): ocds-h6vhtk-031223 Published 2 February 2022, 11:18am

Section I: Contracting entity

I.1) Name and addresses

National Grid Electricity Transmission PLC

1-3 Strand

London

WC2N 5EH

Contact

David Smith

Email

david.smith7@nationalgrid.com

Telephone

+44 7813356850

Country

United Kingdom

NUTS code

UK - United Kingdom

Internet address(es)

Main address

https://www.nationalgrid.com/

I.1) Name and addresses

SP Transmission PLC

320 St Vincent Street

Glasgow

G2 5AD

Contact

Gary Gallagher

Email

ggallagher@scottishpower.com

Telephone

+44 7747235997

Country

United Kingdom

NUTS code

UK - United Kingdom

Internet address(es)

Main address

https://www.scottishpower.co.uk/

I.2) Information about joint procurement

The contract involves joint procurement

In the case of joint procurement involving different countries, state applicable national procurement law

England, Wales & Northern Ireland

I.3) Communication

Access to the procurement documents is restricted. Further information can be obtained at

www.ariba.com

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

www.ariba.com

I.6) Main activity

Electricity

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Torness to Hawthorn Pit HVDC Link

II.1.2) Main CPV code

• 45000000 - Construction work

II.1.3) Type of contract

Works

II.1.4) Short description

National Grid Electricity Transmission PLC (NGET) and SP Transmission PLC (SPTN) (the "Employers") are jointly developing a HVDC link between Torness, Scotland and Hawthorn Pit, England (the "HVDC Link"). This notice concerns the award of one or more Engineering, Procurement & Construction (EPC) contracts for the detailed design, engineering, procurement, manufacture, installation, construction, testing, commissioning, spares provision, operational hand-over and maintenance of the HVDC Link between Scotland and England.

The procurement is structured in 3 Lots consisting of:

Lot 1 - EPC of HVDC, Voltage Source Commutated (VSC) converter stations at both Torness and Hawthorn Pit and HVAC underground cable at Hawthorn Pit between Converter Station and Point of Common Connection (PCC).

Lot 2 - EPC of HVDC submarine and underground cable between converter stations at both Torness and Hawthorn Pit including HVAC underground cable at Torness between converter station & Point of Common Connection (PCC).

Lot 3 - A single contract (Turnkey) for both the converter stations and the submarine & underground cabling works.

II.1.5) Estimated total value

Value excluding VAT: £924,000,000

II.1.6) Information about lots

This contract is divided into lots: Yes

Tenders may be submitted for all lots

The contracting authority reserves the right to award contracts combining the following lots or groups of lots:

The Employers anticipate either awarding separate contracts for the HVDC converter stations and the cable system. (Lot 1 & Lot 2) or awarding a single Turnkey contract for both elements of the Project (Lot 3)

II.2) Description

II.2.1) Title

EPC of HVDC Voltage Source Commutated (VSC) converter stations at both Torness & Hawthorn Pit and HVAC underground cable at Hawthorn Pit between Converter Station and Point of Common Connection (PCC)

Lot No

1

II.2.2) Additional CPV code(s)

- 31200000 Electricity distribution and control apparatus
- 31321300 High-voltage cable
- 45231400 Construction work for electricity power lines
- 45314310 Installation of cable laying

II.2.3) Place of performance

NUTS codes

• UK - United Kingdom

Main site or place of performance

UK and UK territorial waters

II.2.4) Description of the procurement

EPC of two HVDC VSC converter stations (England and Scotland), including the underground civils works, to accommodate x2 HVDC cable poles over a total route length of approximately 196 km, forming a connection and capable of delivering 2GW as more fully described in the procurement documents.

Applicants' submissions must include detailed delivery plans/programmes clearly demonstrating how production and installation will be achieved to ensure full commissioning of the HVDC Link by Q4 2027.

Submissions must also include EPC of HVAC cable between the converter station and PCC at Hawthorn Pit only. The submission must include interfaces (as defined in the procurement documents) between adjacent cable and converter equipment, allowing interconnection of a final end-to-end solution.

The contract will also include a warranty and maintenance period.

The Employers are considering both a 2GW 2 Cable 525kV solution and a 1.4GW-1.6GW solution. Given the differences in the specification it is proposed to sub-divide Lot 2 to consider these alternative proposals. In the event that the cable capacity is reduced to 1.4 - 1.6GW, the appointed Lot 1 contractor may be required to modify its proposal on the converter station to meet the capability of the selected cable technology solution.

The Employers envisage taking up to a maximum of three (3) Applicants on Lot 1 through to RfP stage.

For the purpose of awarding the contracts, the Employers may enter into joint venture arrangements. If this approach were to be adopted and, depending on the nature of the joint venture arrangements, the successful Applicant(s) may be required to enter into a contract with a new JV entity relating to the execution of the works and services being procured.

As part of the contract award process, the Employers are considering the potential to award early works ahead of entering into the main EPC contract.

II.2.5) Award criteria

Price is not the only award criterion and all criteria are stated only in the procurement documents

II.2.6) Estimated value

Value excluding VAT: £444,000,000

II.2.7) Duration of the contract, framework agreement or dynamic purchasing system

Duration in months

48

This contract is subject to renewal

No

II.2.10) Information about variants

Variants will be accepted: No

II.2.11) Information about options

Options: Yes

Description of options

Maintenance for Converter Stations

II.2) Description

II.2.1) Title

EPC of HVDC submarine and underground cable between converter stations (Torness & Hawthorn Pit) inc. HVAC underground cable at Torness between converter station & Point of Common Connection (PCC).

Lot No

2

II.2.2) Additional CPV code(s)

- 31200000 Electricity distribution and control apparatus
- 31321300 High-voltage cable

- 31321500 Submarine cable
- 45231400 Construction work for electricity power lines
- 45314310 Installation of cable laying

II.2.3) Place of performance

NUTS codes

• UK - United Kingdom

Main site or place of performance

UK and UK territorial waters

II.2.4) Description of the procurement

EPC of two HVDC cable poles (underground and submarine cable), including the underground civils works, over a total route length of approximately 196 km, forming part of a connection between two HVDC converter stations (England and Scotland) and capable of delivering 2GW (Lot 2A) or 1.4GW - 1.6GW (Lot 2B).

Applicants' submissions must also include EPC of HVAC cable between the converter station and PCC at Torness only. Applicants' submissions must include interfaces (as defined in the procurement documents) between adjacent cable & converter equipment, allowing interconnection of a final end-to-end solution.

Submissions must include detailed delivery plans/programmes clearly demonstrating how production and installation will be achieved to ensure full commissioning of the HVDC Link by Q4 2027.

The contract will also include a warranty and maintenance period. The proposed HVDC cable technology is 525kV XLPE, PPL or MIND. Proposed PPL and MIND cable systems (cables and accessories, including factory joints and transition joints) shall be type tested in accordance with Cigre Electra 189 and 171 before the award of the contract. Proposed XLPE cable systems (cables and accessories, including factory joints and transition joints and transition joints) shall be PQ tested in accordance with CIGRE TB852 or TB496 before the award of the contract.

The Employers envisage taking up to a maximum of twelve successful Applicants - a maximum of six (6) on Lot 2A and six (6) on Lot 2B - (in accordance with the procurement documents) through to RfP stage.

For the purpose of awarding the contracts, the Employers may enter into joint venture

arrangements.

If this approach were to be adopted and, depending on the nature of the joint venture arrangements, the successful applicant(s) may be required to enter into a contract with a new JV entity relating to the execution of the works and services being procured.

As part of the contract award process, the Employers are considering the potential to award early works ahead of entering into the main EPC contract.

II.2.5) Award criteria

Price is not the only award criterion and all criteria are stated only in the procurement documents

II.2.6) Estimated value

Value excluding VAT: £480,000,000

II.2.7) Duration of the contract, framework agreement or dynamic purchasing system

Duration in months

48

This contract is subject to renewal

No

II.2.10) Information about variants

Variants will be accepted: No

II.2.11) Information about options

Options: Yes

Description of options

Provide a spare duct to each landfall

Post Delivery Support Agreement

II.2) Description

II.2.1) Title

A single contract (Turnkey)

Lot No

3

II.2.2) Additional CPV code(s)

- 31200000 Electricity distribution and control apparatus
- 31321300 High-voltage cable
- 31321500 Submarine cable
- 45231400 Construction work for electricity power lines
- 45314310 Installation of cable laying

II.2.3) Place of performance

NUTS codes

• UK - United Kingdom

Main site or place of performance

UK and UK territorial waters

II.2.4) Description of the procurement

EPC of Two HVDC VSC converter stations (England and Scotland), including the underground civils works, to accommodate x2 HVDC cable poles over a total route length of approximately 196 km, forming a connection and capable of delivering 2GW as more fully described in the procurement documents.

EPC of two HVDC cable poles (underground and submarine cable), including the underground civils works, over a total route length of approximately 196 km, forming part of a connection between two HVDC converter stations (England and Scotland) and capable of delivering 2GW or 1.4 - 1.6GW.

Applicants' submissions must also include EPC of HVAC cable between the converter station and PCC at Torness and Hawthorn Pit. The submission must include interfaces (as defined in the procurement documents) between adjacent cable and converter equipment, allowing interconnection of a final end-to-end solution.

The contract will also include a warranty and maintenance period. The HVDC cable technology is 525kV XLPE, PPL or MIND. Proposed PPL and MIND cable systems (cables and accessories, including factory joints and transition joints) shall be type tested in accordance with Cigre Electra 189 and 171 before the award of the contract. Proposed XLPE cable systems (cables and accessories, including factory joints and transition joints and transition joints) shall be type tested in cable systems (cables and accessories, including factory joints and transition joints) shall be Pre-Qualification tested in accordance with CIGRE TB852 or TB496 before the award of the contract.

Submissions must include detailed delivery plans/programmes clearly demonstrating how production and installation will be achieved to ensure full commissioning of the HVDC Link by Q4 2027.

Please note that the constituent parts of any joint venture or consortium Applicant participating in Lot 3 will be expected also to participate in Lot 1 and Lot 2.

The Employers envisage taking up to a maximum of three (3) Applicants on Lot 3 through to RfP stage.

For the purpose of awarding the contracts, the Employers may enter into joint venture arrangements. If this approach were to be adopted and, depending on the nature of the joint venture arrangements, the successful applicant(s) may be required to enter into a contract with a new JV entity relating to the execution of the works and services being procured.

As part of the contract award process, the Employers are considering the potential to award early works ahead of entering into the main EPC contract.

II.2.5) Award criteria

Price is not the only award criterion and all criteria are stated only in the procurement documents

II.2.6) Estimated value

Value excluding VAT: £924,000,000

II.2.7) Duration of the contract, framework agreement or dynamic purchasing system

Duration in months

48

This contract is subject to renewal

No

II.2.10) Information about variants

Variants will be accepted: No

II.2.11) Information about options

Options: Yes

Description of options

Maintenance for Converter Stations

Provide a spare duct to each landfall

Post Delivery Support Agreement

Section III. Legal, economic, financial and technical information

III.1) Conditions for participation

III.1.1) Suitability to pursue the professional activity, including requirements relating to enrolment on professional or trade registers

List and brief description of conditions

As described in the procurement documents

III.1.2) Economic and financial standing

Selection criteria as stated in the procurement documents

III.1.3) Technical and professional ability

List and brief description of selection criteria

As described in the procurement documents

III.1.4) Objective rules and criteria for participation

List and brief description of rules and criteria

As described in the procurement documents

III.1.6) Deposits and guarantees required

The following contractual security may be required from contractors:

Parent company guarantees from the ultimate parent company or equivalent third-party security

Performance, retention and warranty bonds

Collateral warranties in favour of the Employers from all key subcontractors (to be determined by the Employers)

Advance payment bonds if the Employers agree to an advance payment, in each case as more fully described in the procurement documents

III.1.7) Main financing conditions and payment arrangements and/or reference to the relevant provisions governing them

Torness to Hawthorn Pit HVDC Link is subject to regulation under the Ofgem RIIO-T2 Large Onshore Transmission Investment regime and therefore the project costs and payment provisions may be subject to regulatory oversight.

III.1.8) Legal form to be taken by the group of economic operators to whom the contract is to be awarded

Where there is a group of economic operators, joint venture or consortium each economic operator, joint venture partner or consortium member must be jointly and severally liable for the whole of the performance of the obligations under any contract to which it is a party.

III.2) Conditions related to the contract

III.2.2) Contract performance conditions

Contracts will be structured on an EPC basis, will be subject to the laws of England, Wales & Northern Ireland, and will contain performance guarantees. Completion and full commissioning of the HVDC Link needs to be scheduled to be completed by Q4 2027. Full details of the contract performance conditions are described in procurement documents.

III.2.3) Information about staff responsible for the performance of the contract

Obligation to indicate the names and professional qualifications of the staff assigned to performing the contract

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Negotiated procedure with prior call for competition

IV.1.4) Information about reduction of the number of solutions or tenders during negotiation or dialogue

Recourse to staged procedure to gradually reduce the number of solutions to be discussed or tenders to be negotiated

IV.1.8) Information about the Government Procurement Agreement (GPA)

The procurement is covered by the Government Procurement Agreement: Yes

IV.2) Administrative information

IV.2.1) Previous publication concerning this procedure

Notice number: <u>2020/S 207-506533</u>

IV.2.2) Time limit for receipt of tenders or requests to participate

Date

4 March 2022

Local time

12:00pm

IV.2.3) Estimated date of dispatch of invitations to tender or to participate to selected candidates

7 April 2022

IV.2.4) Languages in which tenders or requests to participate may be submitted

English

IV.2.6) Minimum time frame during which the tenderer must maintain the tender

Duration in months: 16 (from the date stated for receipt of tender)

Section VI. Complementary information

VI.1) Information about recurrence

This is a recurrent procurement: No

VI.3) Additional information

For the purpose of awarding the contracts, the Employers may enter into joint venture arrangements. If this approach were to be adopted and, depending on the nature of the joint venture arrangements, the successful contractor(s) may be required to enter into a contract with a new JV entity relating to the execution of the works and services being procured.

The Employers reserve the right to withdraw this notice or any of the Lots

included in this notice at any time for whatever reason. In the event that the

Employers decide to withdraw any Lots within this notice, the Employers

reserve the right to continue the process in respect of any of the remaining

Lots.

Applicants shall be fully responsible for the costs of responding to this

procurement at all stages of the procurement and in no circumstances do

the Employers accept any liability for any costs incurred by any Applicants,

howsoever or whensoever incurred.

VI.4) Procedures for review

VI.4.1) Review body

High Court of Justice

Queen's Bench Division Divisional Court, Royal Courts of Justice, Strand,

London

WC2A 2LL

Country

United Kingdom