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Tender

Peterhead to North Yorkshire HVDC Link Project

National Grid Electricity Transmission PLC

Scottish Hydro Electric Transmission PLC

F05: Contract notice – utilities

Notice identifier: 2022/S 000-003061

Procurement identifier (OCID): ocids-h6vhtk-03128f

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Section I: Contracting entity

I.1) Name and addresses

National Grid Electricity Transmission PLC

1-3 Strand

London

WC2N 5EH

Contact

Jayne Ridler

Email

jayne.ridler@nationalgrid.com

Telephone

+44 7970680671

Country

United Kingdom

NUTS code

UK - United Kingdom

Internet address(es)

Main address

<https://www.nationalgrid.com/>

I.1) Name and addresses

Scottish Hydro Electric Transmission PLC

Inveralmond House, 200 Dunkeld Road

Perth

PH1 3AQ

Contact

Jill Humphries

Email

jill.humphries@sse.com

Telephone

+44 7918473059

Country

United Kingdom

NUTS code

UK - United Kingdom

Internet address(es)

Main address

<https://www.ssen.co.uk/Home/>

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

Tenders or requests to participate must be submitted to the above-mentioned address

I.6) Main activity

Electricity

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Peterhead to North Yorkshire HVDC Link Project

Reference number

Lot 1 Converter - WS3345506888, Lot 2 Cable - WS3337388147 and Lot 3 Turnkey - WS3345119292

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 Scottish Hydro Electric Transmission PLC (the "Employers") are jointly developing a HVDC link between Peterhead, Scotland and Drax, 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 and HVAC underground cable between Converter Station and Point of Common Connection (PCC) at both Peterhead and Drax.

Lot 2 - EPC of HVDC submarine and underground cable between converter stations at both Peterhead and Drax.

Lot 3 - Lot 1 and Lot 2 combined as a single contract (Turnkey).

II.1.5) Estimated total value

Value excluding VAT: £1,600,000,000

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 reserve the right to award contracts combining the following lots or groups of lots:

Lot 1 or Lot 2

or

Lot 3

II.2) Description

II.2.1) Title

Lot No: 1 - EPC of HVDC, Voltage Source Commutated (VSC) Converter Stations and HVAC underground cable between Converter Station and Point of Common Connection (PCC) at both Peterhead and Drax

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

II.2.4) Description of the procurement

EPC of Two HVDC VSC converter stations (England and Scotland), including the underground civil works, to accommodate x2 HVDC cable poles over a total route length of approximately 490 km, forming a connection and capable of delivering 2GW as more fully described in the procurement documents.

Applicant's submissions must also include EPC of HVAC cable between the converter station and POCC at Peterhead and Drax. The submission must include interfaces (as defined in the procurement documents) to adjacent cable and 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 2029.

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) shall be Pre-Qualification tested in accordance with CIGRE TB852 or TB496 before the award of the contract.

The Employers reserve the right to award Lot 1 and Lot 2 to the same Tenderer or to separate Tenderers. The Employers further reserve the right to award, alternatively, Lot 3 instead of Lot 1 and Lot 2.

The Employers reserves the right to take up to a maximum of three successful Tenderers who achieve the highest scores across the criteria through to RFP stage.

Applicants are advised that, for the purpose of the contracts, the Employers may potentially enter into joint venture arrangements prior to awarding any contract from this activity. 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

The Employers are considering the potential to award early works

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

72

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

Lot No: 2 - EPC of HVDC submarine and underground cable between Converter Stations at both Peterhead and Drax

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 490 km, forming part of a connection between two HVDC converter stations (England and Scotland) and capable of delivering 2GW Or 1.4GW - 1.6GW.

Lot 2 will be split into 2 sub lots and all Applicants will be required to submit a compliant response for at least one or more of the sub lots. The sub lots are:

- Lot 2a 2 GW, 2 Cable 525kV solution
- Lot 2b 1.4GW - 1.6GW, 2 Cable 525kV solution

Only one sub lot will be selected by the Employers.

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 2029.

The HVDC cable technology is 525kV XLPE, PPL or MIND and Applicant's must note that the cable system (cables and accessories, including factory joints and transition joints) proposed in their design must have been 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) shall be Pre-Qualification tested in accordance with CIGRE TB852 or TB496 before the award of the contract.

The Employers reserve the right to award Lot 1 and Lot 2 to the same Tenderer or to separate

Tenderers. The Employers further reserve the right to award, alternatively, Lot 3 instead of Lot 1 and Lot 2.

The Employers reserves the right to take up to a maximum of twelve successful Tenderers (in accordance with the Procurement documents) who achieve the highest scores across the criteria through to RFP stage. This comprises up to a maximum of six for sub lot 2a and six for sub lot 2b.

Applicants are advised that, for the purpose of the contracts, the Employers may potentially enter into joint venture arrangements prior to awarding any contract from this activity. 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.

The Employers are considering the potential to award early works.

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: £1,154,000,000

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

Duration in months

72

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 at each landfall
- Post Delivery Support Agreement

II.2) Description

II.2.1) Title

Lot No: 3 - Lot 1 (Converter) and Lot 2 (Cable) combined as 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 490 km, forming a connection and capable of delivering 2GW or 1.4GW -

1.6GW.

Applicants are advised that the two cable sub-lots described in II.3.4 apply equally to Lot 3.

Applicant's submission must also include EPC of HVAC cable between the converter station and POCC at Peterhead and Drax. The submission must include interfaces (as defined in the procurement documents) to adjacent cable and 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 2029.

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) shall be Pre-Qualification tested in accordance with CIGRE TB852 or TB496 before the award of the contract.

Applicant's submission must also include EPC of HVAC cable between the converter station and POCC at Peterhead and Drax. The submission must include transition joints (as defined in the Tender Documents) to adjacent cable and 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 2029.

The Employers reserve the right not to award a Lot 3. The Constituent parts of any joint venture or consortium participating in Lot 3 will be expected also to participate in Lot 1 and Lot 2

The Employers reserves the right to take up to a maximum of three successful Applicants who achieve the highest scores across the criteria through to RFP stage

Applicant's are advised that, for the purpose of the contracts, the Employers may potentially enter into joint venture arrangements prior to awarding any contract from this activity. 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.

The Employers is considering the potential to award early works.

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: £1,600,000,000

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

Duration in months

72

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 at each landfall

Post Delivery Support Agreement;

Maintenance for Converter Stations

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

List and brief description of selection criteria

As described in the procurement documents

Minimum level(s) of standards possibly required

As described 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 the Applicants:

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

Performance 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

Scotland to England Green Link (SEGL) 2 is subject to regulation under the Ofgem RII-O-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 Engineer, Procure and Construct ("EPC") basis, will be subject to the laws of England & Wales, and will contain performance guarantees. Completion and full commissioning of the HVDC Link needs to be scheduled to be completed by Q4 2029. 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.2.2) Time limit for receipt of tenders or requests to participate

Date

9 March 2022

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

3 June 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

Applicants are advised that, for the purpose of the contracts, the Employers may potentially enter into joint venture arrangements prior to awarding any contract from this activity. 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

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.

The Employers reserve the right to award Lot 1 and Lot 2 to the same Tenderer or to separate Tenderers. The Employers further reserve the right to award, alternatively, Lot 3 instead of Lot 1 and Lot 2.

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

