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Tender

The Great Grid Upgrade Partnership

NATIONAL GRID ELECTRICITY TRANSMISSION PLC

F05: Contract notice – utilities

Notice identifier: 2023/S 000-015304

Procurement identifier (OCID): ocds-h6vhtk-03c630

Published 30 May 2023, 4:46pm

Section I: Contracting entity

I.1) Name and addresses

NATIONAL GRID ELECTRICITY TRANSMISSION PLC

1 - 3 Strand

LONDON

WC2N5EH

Email

SIProcurement@nationalgrid.com

Country

United Kingdom

Region code

UK - United Kingdom

Companies House

02366977

Internet address(es)

Main address

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

I.3) Communication

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

<https://service.ariba.com/Sourcing.aw>

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

<https://service.ariba.com/Sourcing.aw>

I.6) Main activity

Electricity

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

The Great Grid Upgrade Partnership

II.1.2) Main CPV code

- 45000000 - Construction work

II.1.3) Type of contract

Works

II.1.4) Short description

NGET is seeking to appoint partners (Enterprise Partners) with the capacity and capability to deliver its strategic infrastructure priorities through a collaborative delivery model (the Great Grid Upgrade Partnership). This procurement comprises two lots:

- Lot 1 is a design, consenting and environmental services lot under which NGET is seeking to appoint two Enterprise Partners plus one Reserve Partner

- Lot 2 is a construction works and services lot under which NGET is seeking to appoint four to six Enterprise Partners plus zero to two Reserve Partners.

The contractual arrangements will comprise a main Enterprise Agreement regulating the rights and obligations of NGET and the Enterprise Partners, with call-off contracts for individual packages using the NEC4 family of contracts.

A virtual launch event will be held w/c 5 June: to attend please email SIProcurement@nationalgrid.com with email addresses for your attendees.

II.1.5) Estimated total value

Value excluding VAT: £9,280,000,000

II.1.6) Information about lots

This contract is divided into lots: Yes

Tenders may be submitted for all lots

II.2) Description

II.2.1) Title

Design, consenting and environmental services

Lot No

1

II.2.2) Additional CPV code(s)

- 71000000 - Architectural, construction, engineering and inspection services

II.2.3) Place of performance

NUTS codes

- UK - United Kingdom

II.2.4) Description of the procurement

Enterprise Partners in this lot will deliver architectural, engineering, engineering design, consenting and planning services. The scope is explained in the procurement documents and includes:

1) design services and 2) consenting services (including DCO services, Town and Country Planning and Section 37 services), in each case related to the outline and detailed design of OHL new build, OHL refurbishment, substation, civils and undergrounding, protection, control and cyber and multiple design;

3) environmental services related to environmental impact assessment, permitting and licensing and wider environmental assessments for projects and programmes;

4) project management services and programme management, consultancy resource to support NGET's delivery of a project and support for operational role(s). The resource requirement may comprise individual discipline elements of support or individual resource(s); and

5) acting as Principal Designer under the Construction (Design and Management) Regulations 2015 (CDM) and NGET procedures.

The above list of services is indicative and outlines the broad service categories rather than particulars. The services actually required may also include related, complementary or ancillary services within each category, and related information management and digital services (including hosting).

The scope of this lot includes certain projects listed in Ofgem's decision on accelerating onshore electricity transmission investment (ASTI) and other identified projects that it is currently anticipated will be of similar size and value and will be identified as infrastructure to achieve Net Zero by 2050. An indicative list of such projects is contained in the pre-qualification questionnaire (PQQ). The scope also comprises other ASTI projects as well as as-yet unidentified additional major projects on the high voltage electricity transmission network, the precise location and nature of which is not yet known but which will share the same key features as the other (ASTI and other identified) projects and will require the same Enterprise Partner capability. In addition to major project delivery, the scope extends to other network works of smaller size, scale and complexity, such that it is assumed Enterprise Partners will be able to deliver that alongside (and in between) the larger project commitments.

It is envisaged that the Enterprise Partners will work together to innovate and collaborate to deliver the programme, meeting (or beating) the earliest in service dates for each project. This will be incentivised through a bespoke commercial model, incentivising all Enterprise Partners at programme level. Enterprise Partners will hold a notional shareholding for commercial model purposes. It is currently anticipated that the incentives payable under that model will be the principal source of profit for Enterprise Partners, derived from an additional fee, with the call-off contracts for each package delivered on a cost reimbursable basis with a smaller base fee.

It is currently anticipated that harmonised fees (base and additional) will apply across all Enterprise Partners in a given lot, but the fee levels will be subject to negotiation and change through the procurement process. Where harmonisation is unachievable, the invitation to tender may make provision for fee levels to be bid back within a range, and scored accordingly.

A Reserve Partner will be awarded an Enterprise Agreement but will not generally be eligible for the award of packages or other work at Enterprise Partner level, and will not share in the commercial model, unless and until certain trigger events occur and it is elevated to Enterprise Partner status.

NGET gives no commitment as to the actual volume of work that will be made available and the projects and works that are delivered by the Enterprise Partners may be less than, and/or different to, those set out above and in the procurement documents.

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: £580,000,000

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

Duration in months

144

This contract is subject to renewal

Yes

Description of renewals

The duration of the Enterprise Agreement is an initial 8 years, but extendable up to 12 years at NGET's option.

II.2.9) Information about the limits on the number of candidates to be invited

Envisaged number of candidates: 5

II.2.10) Information about variants

Variants will be accepted: No

II.2.11) Information about options

Options: Yes

Description of options

The duration of the Enterprise Agreement is an initial 8 years, but extendable up to 12 years at NGET's option. The duration of call-off contracts for specific packages may be longer than 12 years and may overlap and extend beyond the end of the main agreement. The reason for this duration is to align with the Great Grid Upgrade (see VI.3) and the UK's aims both for 2030 (as a first step towards Net Zero) and further substantial delivery steps that will be required (with respect to projects to be completed in the first half of the 2030s) to achieve

Net Zero by 2050. The Great Grid Upgrade Partnership aims to develop substantial, world-leading expertise in transmission infrastructure delivery and the proposed term enables that development and then effective and efficient deployment of that expertise in the service of those ambitious Net Zero aims.

II.2.14) Additional information

As explained in the most recent periodic indicative notice (see IV.2.1), the registration process for ARIBA can take up to two weeks, so interested persons that have not already done so should email SIProcurement@nationalgrid.com in order to register as soon as possible to maximise the response time that is available to them.

II.2) Description

II.2.1) Title

Construction

Lot No

2

II.2.2) Additional CPV code(s)

- 31200000 - Electricity distribution and control apparatus
- 31300000 - Insulated wire and cable
- 31600000 - Electrical equipment and apparatus
- 45200000 - Works for complete or part construction and civil engineering work
- 51110000 - Installation services of electrical equipment
- 65300000 - Electricity distribution and related services

II.2.3) Place of performance

NUTS codes

- UK - United Kingdom

II.2.4) Description of the procurement

Enterprise Partners in this lot will deliver OHL new build, OHL refurbishment, substation, civils and undergrounding construction works and related services. The scope is explained in the procurement documents and includes:

- 1) design, programme management, new build, reconductoring, refurbishment and decommissioning/dismantling of OHL;
- 2) new build, route replacement and route decommissioning of undergrounded systems;
- 3) new build AIS/GIS substations, AIS/GIS substation extensions and major AIS/GIS substation asset replacements;
- 4) site establishment, enabling works, foundations, building of permanent structures and services, vegetation clearance, site security, haul and access roads, scaffolding, landscaping, and demobilisation; and
- 5) all works and services will be performed while acting as the Principal Contractor and Principal Designer in accordance with CDM and NGET procedures.

The above list of works and services is indicative and outlines the broad work and service categories rather than particulars. The works and services actually required may also include related, complementary or ancillary services within each category, and related information management and digital services (including hosting).

The scope of this lot includes certain projects listed in ASTI and other identified projects that it is currently anticipated will be of similar size and value and will be identified as infrastructure to achieve Net Zero by 2050. An indicative list of such projects is contained in the PQQ. The scope also comprises other ASTI projects as well as as-yet unidentified additional major projects on the high voltage electricity transmission network, the precise location and nature of which is not yet known but which will share the same key features as the other (ASTI and other identified) projects and will require the same Enterprise Partner capability. In addition to major project delivery, the scope extends to other network works of smaller size, scale and complexity, such that it is assumed Enterprise Partners will be able to deliver that alongside (and in between) the larger project commitments.

It is envisaged that the Enterprise Partners will work together to innovate and collaborate to deliver the programme, meeting (or beating) the earliest in service dates for each project. This will be incentivised through a bespoke commercial model, incentivising all Enterprise Partners at programme level. Enterprise Partners will hold a notional shareholding for commercial model purposes. It is currently anticipated that the incentives payable under that model will be the principal source of profit for Enterprise Partners, derived from an additional fee, with the call-off contracts for each package delivered on a cost reimbursable basis with a smaller base fee.

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NGET gives no commitment as to the actual volume of work that will be made available and the projects and works that are delivered by the Enterprise Partners may be less than, and/or different to, those set out above and in the procurement documents.

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: £8,700,000,000

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

Duration in months

144

This contract is subject to renewal

Yes

Description of renewals

The duration of the Enterprise Agreement is an initial 8 years, but extendable up to 12 years at NGET's option.

II.2.9) Information about the limits on the number of candidates to be invited

Envisaged number of candidates: 8

II.2.10) Information about variants

Variants will be accepted: No

II.2.11) Information about options

Options: Yes

Description of options

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II.2.14) Additional information

As explained in the most recent periodic indicative notice (see IV.2.1), the registration process for ARIBA can take up to two weeks, so interested persons that have not already done so should email SIProcurement@nationalgrid.com in order to register as soon as possible to maximise the response time that is available to them.

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

Please see the PQQ.

III.1.2) Economic and financial standing

Selection criteria as stated in the procurement documents

III.1.3) Technical and professional ability

Minimum level(s) of standards possibly required

Please see the PQQ.

III.1.4) Objective rules and criteria for participation

List and brief description of rules and criteria

Please see the PQQ.

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Negotiated procedure with prior call for competition

IV.1.3) Information about a framework agreement or a dynamic purchasing system

The procurement involves the establishment of a framework agreement

Framework agreement with several operators

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

The procurement is covered by the Government Procurement Agreement: No

IV.2) Administrative information

IV.2.1) Previous publication concerning this procedure

Notice number: [2023/S 000-012745](#)

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

Date

30 June 2023

Local time

12:00pm

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

1 August 2023

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: 6 (from the date stated for receipt of tender)

Section VI. Complementary information

VI.1) Information about recurrence

This is a recurrent procurement: No

VI.2) Information about electronic workflows

Electronic ordering will be used

Electronic invoicing will be accepted

Electronic payment will be used

VI.3) Additional information

Interested persons should access the procurement documents and must complete and submit the PQQ by the deadline stated IV.2.2 to be eligible to be shortlisted and invited to tender. The shortlisting rules are set out in the PQQ. Please email SIProcurement@nationalgrid.com if you do not have existing ARIBA access.

The procurement documents (see I.3) also include a partner guide (summarising the opportunity) and a contract principles paper (describing the Enterprise Agreement and including a scope summary): these will be made available when a signed confidentiality agreement has been returned.

All financial values stated in this notice are calculated using current prices plus assumed inflation based on RPI forecast rates to 2032. All of these values are estimates only and the final outturn values will depend on the precise works and services required to be delivered, the means of delivery, the way in which programme and project risks materialise, the actual rates of inflation up to completion of the programme, and other factors.

Details of the scale of this opportunity are also set out in the previous notices (see IV.2.1).

The precise details of each identified project, including specific location, route, form of electricity network infrastructure (such as OHL or underground cable), construction methodology, and any associated mitigation or enhancement schemes are indicative and remain to be confirmed. The final project details are subject to NGET obtaining all necessary consents (such as any required DCO, Electricity Act 1989 consent or planning permission), the requirements of those consents, and the terms of any necessary land rights to be secured by NGET to enable project delivery. NGET gives no commitment as to the basis on which any necessary consents or land rights will be applied for, or obtained.

In January 2023, NGET conducted a pre-procurement market engagement exercise through which feedback was sought from the market in respect of its proposals. Interested organisations submitted written responses to questions contained in a market engagement document. This exercise was advertised in the notices detailed in IV.2.1.

Anyone participating in this procurement process does so at its own risk and shall bear its own costs, whether or not the process proceeds as anticipated, or at all.

Subject to the fuller terms of the procurement documents, NGET reserves the right (in its sole and absolute discretion and without liability to any person): (i) not to accept the highest scoring, or any, bid(s); (ii) to cancel the procurement process or any lot or other part of it at any time; (iii) not to award a contract in any lot or at all; and (iv) to make changes to the content and structure of the procurement process at any time.

The Great Grid Upgrade Partnership constitutes a single programme to achieve National Grid's Great Grid Upgrade (<https://www.nationalgrid.com/the-great-grid-upgrade>). It is currently anticipated that this programme will be delivered by the Enterprise Partners through the Enterprise Agreement and the call-off contracts awarded under it, and the full scope of that is included in the scope advertised by this notice. However, and without limiting that, the works and services awarded to Enterprise Partner(s) may extend beyond that to involve additional works and services, through the award of further contracts in reliance on the procedure in Regulation 50(1)(f) of the Utilities Contracts Regulations 2016 and/or any successor provision in the new Procurement Act, when enacted, concerning direct awards for additional or repeat works or services. Any contracts for new works or services consisting in the repetition of similar works or services will conform to the Great Grid Upgrade programme and / or a particular project for which packages are called-off under the Great Grid Upgrade Partnership.

The Enterprise Agreement may be awarded by, or novated to, a member of the National Grid group other than NGET.

VI.4) Procedures for review

VI.4.1) Review body

High Court of England and Wales

Royal Courts of Justice, Strand

London

WC2A 2LL

Telephone

+44 2070734734

Country

United Kingdom

VI.4.3) Review procedure

Precise information on deadline(s) for review procedures

In accordance with Part 5 (Remedies) of The Utilities Contracts Regulations 2016 (S.I. 2016 No. 274).