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Award

Extension/Amendment of Communication & Instrumentation Panel Service Provider ("CIPSP") Contract

Interconnector Services Limited

F15: Voluntary ex ante transparency notice

Notice identifier: 2024/S 000-024188

Procurement identifier (OCID): ocids-h6vhtk-0486e4

Published 1 August 2024, 3:50pm

Section I: Contracting authority/entity

I.1) Name and addresses

Interconnector Services Limited

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Region code

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Internet address(es)

Main address

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I.6) Main activity

Production, transport and distribution of gas and heat

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Extension/Amendment of Communication & Instrumentation Panel Service Provider ("CIPSP") Contract

II.1.2) Main CPV code

- 76100000 - Professional services for the gas industry

II.1.3) Type of contract

Services

II.1.4) Short description

In 2017, after a competitive tender, Interconnector Services Limited ("ISL") entered into a contract for a Communication & Instrumentation Panel Service Provider ("CIPSP") with Cetix Limited ("Cetix") for an initial mobilisation period of 1 year, followed by a term of 6 years and 3 months, with an option to extend by a maximum of two years. ISL exercised that option and the CIPSP contract is now due to expire on 31st March 2026.

We have a current requirement to upgrade the metering systems on a number of gas sites which will be a complex and substantial piece of work that the CIPSP provider is best placed to deliver. A number of technical and regulatory drivers are now expediting the requirement to deliver these upgrade works.

Whilst the CIPSP contract covers metering flow computers and Chromatograph services, and because the metering upgrades have been expedited, a meter system change out was not envisaged at the time of the original tender, so is not explicitly mentioned in the contract services. It is anticipated that all replacement works would be completed by September 2027 at the latest.

For this reason we are planning to vary the current contract in order for the required work to be carried out and completed. As outlined further below, we believe that the variation benefits from the exemption in Reg. 88(1)(b) UCR.

II.1.6) Information about lots

This contract is divided into lots: No

II.1.7) Total value of the procurement (excluding VAT)

Value excluding VAT: £2,300,000

II.2) Description

II.2.3) Place of performance

NUTS codes

- UKN - Northern Ireland

II.2.4) Description of the procurement

In October 2017, following a competitive tender process, ISL entered into the CIPSP contract with Cetix. Cetix was awarded the contract for an initial mobilisation period of 1 year, followed by an initial term of 6 years and 3 months, with an option to extend by a further 2 years. ISL exercised this extension option and the contract is due to expire in March 2026.

The meter system upgrade project which has become necessary will involve Cetix (as CIPSP provider) leading the design and change control elements of the project. This is a material piece of work that will involve the replacement of site flow computers, metering elements and associated instruments such as to allow the sites to attain the required level of metering uncertainty across the operational envelope.

The work will require a variation to the original contract in terms of the scope, as well as a variation in relation to the initial contract term to ensure that the metering upgrade works are complete in advance of any new CIPSP contract commencing. It is envisaged that the extension to the duration will be until September 2027 .

ISL considers that the variation to the current contract benefits from the exemption outlined in Regulation 88(1)(b) of the Utilities Contracts Regulations. This exemption allows for the non-competitive procurement of additional services that have become necessary, where a change of contractor cannot be made for economic or technical reasons and where such a change would cause significant inconvenience or duplication of costs. Further information is provided below.

II.2.11) Information about options

Options: No

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Award of a contract without prior publication of a call for competition in the cases listed below

- The procurement falls outside the scope of application of the regulations

Explanation:

ISL considers that the variation benefits from the exemption in Reg. 88(1)(b) UCR , for the reasons outlined below.

The incumbent CIPSP has developed intimate knowledge of the logic within the flow computers, chromatograph and PLC's. The Flow computers and chromatograph are being changed as part of this project, and for the new equipment to interface to the existing PLC's, the PLC's will need substantial modifications also. To introduce a third party to replace and work on equipment that is expressly within the responsibility of the CIPSP, would create interface management risks. The incumbent CIPSP is therefore considered the most efficient and lowest risk party to deliver and warrant the design and interface modifications.

It should also be noted that, as mentioned above, a significant part of the additional value of the variation will be competitively tendered, allowing potential relevant providers to bid in for this element of the work.

It is envisaged that an extension of the CIPSP contract until the completion of the project is required . In the run up to expiry a new CIPSP contract competitive tender process will be carried out. This will be advertised on Find a Tender, allowing any interested parties to participate.

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: [2017/S 046-084896](#)

Section V. Award of contract/concession

A contract/lot is awarded: Yes

V.2) Award of contract/concession

V.2.1) Date of conclusion of the contract

1 August 2024

V.2.4) Information on value of contract/lot/concession (excluding VAT)

Total value of the contract/lot/concession: £2,300,000

Section VI. Complementary information

VI.3) Additional information

£1.7m of the anticipated £2.3m additional value relates to materials which will be competitively tendered.

VI.4) Procedures for review

VI.4.1) Review body

High Court of Northern Ireland

Belfast

Country

United Kingdom