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Tender HVDC Cable Framework

National Grid UK Limited

F05: Contract notice – utilities Notice identifier: 2023/S 000-035471 Procurement identifier (OCID): ocds-h6vhtk-0420f3 Published 1 December 2023, 12:16pm

Section I: Contracting entity

I.1) Name and addresses

National Grid UK Limited

1-3 Strand

London

WC2N 5EH

Contact

David Sugden

Email

box.GP.UKBuyerNGV@nationalgrid.com

Country

United Kingdom

Region code

UK - United Kingdom

Companies House

04508773

Internet address(es)

Main address

https://www.nationalgrid.com/

I.3) Communication

The procurement documents are available for unrestricted and full direct access, free of charge, at

https://service.ariba.com/

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

https://service.ariba.com/

I.6) Main activity

Electricity

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

HVDC Cable Framework

II.1.2) Main CPV code

• 45000000 - Construction work

II.1.3) Type of contract

Works

II.1.4) Short description

National Grid is an international Electricity and Gas Network Company and one of the largest investor-owned energy companies in the world, based in the United Kingdom with operations in the north-east of the United States of America too.

National Grid is looking to establish a multi-year HVDC Cable Framework to service its growing HVDC requirements. National Grid also has a developing portfolio of HVDC projects in the US, these works will be subject to a separate Procurement exercise.

Please note that the scope of the HVDC Cable Framework includes but is not limited to the following areas:

- Design, manufacture, testing and commissioning of HVDC submarine and underground cable systems, including but not limited to extruded and mass-impregnated non-draining cable systems at different voltage ratings as well as all associated cable accessories

- HVDC submarine cable lay and burial

- HVDC onshore underground cable system delivery, installation and associated civil engineering works as required (to be defined on a project-specific basis)

- Cable spares requirements including spare cable storage (to be defined on a project-specific basis)

- Design, engineer, prepare, procure and install landfall HDD (Horizontal Direct Drilling) ducts as required for each landfall (To be defined on a project-specific basis).

- Front-end engineering design services, in relation to any or all of the aforementioned scope (to be defined on a project-specific basis)

II.1.5) Estimated total value

Value excluding VAT: £21,300,000,000

II.1.6) Information about lots

This contract is divided into lots: No

II.2) Description

II.2.2) Additional CPV code(s)

• 31321300 - High-voltage cable

- 31321500 Submarine cable
- 45314310 Installation of cable laying

II.2.3) Place of performance

NUTS codes

• UK - United Kingdom

II.2.4) Description of the procurement

The scope of this Procurement includes c.15 HVDC (High Voltage Direct Current) projects; certain projects, and other identified projects that it is currently anticipated will be of similar size and value and will be identified as infrastructure to enable the connection of 50GW of Offshore Wind by 2030 and Net Zero by 2050. The scope also comprises other as-yet unidentified additional major HVDC projects, the precise location and nature of which is not yet known but which will share the same key features as the other projects.

The HVDC Cable Framework is intended to be used for the delivery of National Grids HVDC Cable portfolio of projects.

National Grid anticipates that the HVDC Cable Framework will be used for the delivery of the following early projects:

- 1. Eastern Green Link 4 (EGL4)
- 2. Sealink

If awarded, these early projects will form call-off contracts under the HVDC Cable Framework; however, due to the criticality of these projects and the need for them to be realised within the timeframe set by Ofgem's Accelerated Strategic Transmission Investment framework, the call off process will be run in parallel with the procurement of the framework agreement itself. Interested parties will, therefore, be asked to express their interest in, and capacity to deliver, these early projects at the PQQ stage of the framework procurement. As more fully described in the RFP, the interested parties that NG determines are capable of delivering the early projects will then be invited to participate in the early project call-off process, alongside the framework RFP.

For the avoidance of doubt, given the parallel running of the framework and early project call-off procurements for the reasons explained, interested parties will not have confirmation of their appointment to the framework agreement before they are required to participate (if they are interested) in the call-off procurements for the early projects; however, securing a place on the framework agreement will be a condition for the award of any call-off contract. Being shortlisted for or awarded a call-off contract for the early

projects is not though a condition to securing a place on the framework agreement.

The HVDC Cable Framework may also be used for the delivery of the following early projects:

1. LionLink

2. Other projects of a similar size and nature

Again, for the avoidance of doubt, whilst NG's current expectations regarding the early projects are as set out above, NG reserves its rights to utilise different procurement routes.

Additional Information:

Please note that National Grid reserves the right to award submarine HVAC cable system projects at different voltage ratings through this HVDC Cable Framework at its sole discretion, should the requirement arise.

Please note that National Grid expects for most of its future submarine HVDC projects to utilise extruded cable systems, as reflected in the focus of this HVDC Cable Framework's pre-qualification questions, however National Grid retains the right at its sole discretion to award projects utilising other cable system technologies through this HVDC Cable Framework should the need arise.

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: £21,300,000,000

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

Duration in months

96

This contract is subject to renewal

No

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

Envisaged minimum number: 1

Maximum number: 8

II.2.10) Information about variants

Variants will be accepted: Yes

II.2.11) Information about options

Options: Yes

Description of options

The initial Framework duration is expected to be 60 (sixty) months, with the option to extend for up to 36 (thirty-six) months via single or multiple fixed terms.

II.2.14) Additional information

In relation to section II.2.10 of the Contract Notice, variant bids may be accepted by National Grid. However, this will only apply in circumstances where the form and content of the variant has been approved by National Grid in advance prior to the Submission Deadline, and is submitted alongside a compliant bid.

National Grid UK Limited will conduct the procurement and enter into the framework agreement with the successfully appointed suppliers for its own benefit and for the benefit of the entities identified below. National Grid UK Limited or any of the following entities shall be entitled to call off from the framework agreement and enter into contracts resulting from the call off:

1. Any parent undertakings or subsidiary undertakings (each term as defined in section 1162 Companies Act 2006 except that references in that section to "majority" shall be replaced by reference to "25% or more") of National Grid UK Limited and any subsidiary undertakings of any such parent undertakings at the time of the call off including without limitation:

- a. National Grid Electricity Transmission Plc;
- b. National Grid LionLink Limited;
- c. National Grid Nautilus Limited;
- d. National Grid Continental Limited;

- e. National Grid Interconnector Holdings Limited;
- f. National Grid Interconnectors Limited; and
- g. National Grid Electricity Distribution (South West) plc

2. Any entity that is acting as a project partner with any National Grid call off partner (identified in paragraph 1 above) and which calls off jointly with any such National Grid entity including, without limitation,:

- a. SP Transmission Plc;
- b. ScottishPower Renewables (UK) Ltd;
- c. Scottish Hydro Electric Transmission Plc;
- d. TenneT TSO B.V.;
- e. TenneT TSO GmbH;
- f. TenneT Offshore GmbH;
- g. Elia Asset NV/SA;
- h. RTE Réseau de Transport d'Electricité; and

i. Transmission system operators and other developers and/or operators of HVDC projects; and/or

3. Any special purpose vehicle, incorporated joint venture or contractual joint venture, between any of the parties identified in paragraphs 1 and 2 above.

It should be noted that, whilst National Grid Interconnector Holdings Limited and any of its subsidiaries whether current or future, which hold an interconnector licence, and National Grid Interconnectors Limited, are included within the scope of the HVDC Cable Framework agreement, and therefore entitled to call off under it, these entities are not subject to the Utilities Contracts Regulations 2016 or any other relevant procurement regime. These entities' participation in this procurement process and/or the framework agreement does not cause them to be subject to those rules in whole or in part.

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

National Grid requires Candidates to have the capability to deliver the full requirements as set out in the Framework Scope, including in particular the requirements to supply and install the HVDC cables. These requirements may be satisfied by a single entity or a group of entities formed e.g. as a consortium or joint venture. Where a single entity or consortium/joint venture is proposed at the PQQ stage, that entity or consortium/joint venture will be appointed by National Grid as the contractor(s) to the framework agreement. However, the party or parties identified at the PQQ stage, and therefore appointed to the framework agreement, may change for the purposes of the award of a call-off contract under the framework agreement, but only where the following conditions are satisfied:

• a change in contractor will only be permitted in respect of the installation element of any call-off contract, i.e. the cable manufacturer cannot change;

• a change will only be permitted in exceptional circumstances, for example where capacity constraints at the time of the relevant call-off contract mean that the installation element of that project cannot be delivered by the original installation contractor and this exceptional circumstance must be demonstrated by the original framework contractor(s);

• National Grid must approve in writing any proposed change of installation contractor and such approval is at the absolute discretion of National Grid;

• the proposed replacement installation contractor must satisfy the criteria for qualitative selection initially established as part of the procurement process for the framework agreement; and

• if the proposed replacement installation contractor is otherwise appointed to the framework agreement in any capacity, National Grid must be satisfied that no actual, potential or perceived conflicts of interest will arise.

Where a sub-contracting arrangement is proposed instead, with the installation subcontractor identified at the PQQ stage, a change in sub-contractor will also be permitted provided that the conditions set out above are satisfied.

III.1.2) Economic and financial standing

Selection criteria as stated in the procurement documents

III.1.3) Technical and professional ability

Selection criteria as stated in the procurement documents

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

No specific legal form is required in order to participate in the procurement stage. However, National Grid reserves the right to require successfully appointed suppliers to take a specific legal form and/or accept joint and several liability if constituted as a group of economic operators.

III.2) Conditions related to the contract

III.2.2) Contract performance conditions

Call-off contracts may require the Contractor to interface with other contractors and involve a requirement for interaction/ partnership working.

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

Date

15 January 2024

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

English

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 parties should contact <u>box.gp.ukbuyerngv@nationalgrid.com</u> specifically noting your interest in the HVDC Cables Framework in order to access pre-qualification documentation. Please provide the name of your organisation and your Ariba ID (if already set up).

Interested parties should note that National Grid is using the Ariba portal, details of which are set out in section I.3 above, to manage this procurement process. All documentation will be made available through this portal. All communications by interested parties must be made to National Grid only through this portal - any communications sent by alternative means and/or to any other person will be ignored.

Please note that a "request to participate" for the purposes of section IV.2.2 of this notice is by completion and return of the Pre-Qualification Questionnaire (PQQ), which is available through the Ariba portal, by the stated deadline.

Interested parties should note that National Grid reserves the right to cancel or vary this procurement process at any stage. National Grid may also change the basis, procedures and/or timescales set out or referred to within the procurement documents. National Grid will not be liable for any costs or expenses howsoever incurred by interested parties in participating in this procurement process.

All financial values stated in this notice are estimates only and the final outturn values will depend on the precise works to be delivered, the means of delivery, the way in which the programme and project risks materialise, the actual rates of inflation up to completion of the programme, and other factors.

VI.4) Procedures for review

VI.4.1) Review body

High Court of England and Wales

London

Country

United Kingdom