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Tender

Eastern Green Link 3, Scotland to Norfolk, England HVDC Link Project-Converters

National Grid Electricity Transmission PLC
Scottish Hydro Electric Transmission PLC

F05: Contract notice – utilities

Notice identifier: 2023/S 000-036575

Procurement identifier (OCID): ocds-h6vhtk-042511

Published 12 December 2023, 5:00pm

Section I: Contracting entity

I.1) Name and addresses

National Grid Electricity Transmission PLC

1-3 Strand

London

PH1 3AQ

Contact

David Andrews

Email

david.andrews@nationalgrid.com

Telephone

+44 7787156827

Country

United Kingdom

Region code

UK - United Kingdom

National registration number

04508773

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

Region code

UK - United Kingdom

National registration number

SC213461

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 and Wales

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

Electronic communication requires the use of tools and devices that are not generally available. Unrestricted and full direct access to these tools and devices is possible, free of

charge, at

www.ariba.com

I.6) Main activity

Electricity

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Eastern Green Link 3, Scotland to Norfolk, England HVDC Link Project-Converters

Reference number

Converter - WS 4346053388

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 and Scottish Hydro Electric Transmission PLC (the "Employers") are jointly developing a HVDC link between N Peterhead, Scotland and Norfolk, England (the "HVDC Link"). This notice concerns the procurement and award of contract(s) for:

- Design, manufacture, testing, commissioning, trial running, provision of critical spares for two HVDC converter stations located in Scotland and England.
- One converter will be located at the Netherton Hub, near Peterhead, Aberdeenshire, Scotland. The other will be located in Norfolk, England.

- The converters will each be capable of converting 2GW of AC to DC energy and DC to AC energy.
- The two converters will be linked by two no. 2GW capacity 525kV cables, much of which will be routed in the North Sea.
- There is an option that it will be routed through a DCSS (DC Switching Station) also to be located within the Netherton Hub
- Front-end engineering design services, in relation to any or all of the aforementioned scope.
- The Employers will require the Preferred Bidder to enter a Long-Term Service Agreement (LTSA) for the HVDC converter technology, either as part of the main contract or a standalone contracts(s). This may be structured as:
 - 1: a single agreement covering the converters at Netherton Hub and in Norfolk together, with both Employers acting jointly or as a Joint Venture, or;
 - 2: two separate agreements, one with each Employer, covering converters in their respective areas of geographic responsibility individually.

II.1.5) Estimated total value

Value excluding VAT: £1,200,000,000

II.1.6) Information about lots

This contract is divided into lots: No

II.2) Description

II.2.2) Additional CPV code(s)

- 31200000 - Electricity distribution and control apparatus
- 31600000 - Electrical equipment and apparatus

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

The scope of this Procurement includes the provision of the front end engineering, the detailed design, manufacture, assembly, install, test, commission, trial operation, provision of critical spares and an option for maintenance support for 2 no. 2GW HVDC converters, one located at the Netherton Hub in Scotland and the other in Norfolk, England.

The Employers reserve the right to take up to a maximum of three Suppliers through the prequalification process and into the tender process.

Applicants are advised that, for the purpose of the contract, 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: £1,200,000,000

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

Duration in months

150

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: No

II.2.13) Information about European Union Funds

The procurement is related to a project and/or programme financed by European Union funds: No

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

Selection criteria as stated 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

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

Eastern Green Link 3 (EGL3) is subject to regulation under the Ofgem Accelerated Strategic Transmission Investment (ASTI) framework 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 a supply and install basis and will be subject to the laws of England & Wales. They will contain performance guarantees.

It is anticipated that the contract for the Works will be awarded by early 2025. The Works will require to be delivered in time to allow the final EGL3 asset to be in service by the date set by Ofgem. As at the date of this notice, Ofgem's requirement for the EGL3 asset to be in-service is anticipated to be Q4 2030.

These dates are indicative. Any available update to these dates and/or further information will be provided in the ITT.

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

22 January 2024

Local time

5:00pm

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

1 April 2024

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 at any time for whatever reason.

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

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

London

WC2A 2LL

Telephone

+44 2039368957

Country

United Kingdom

Internet address

<https://www.gov.uk/courts-tribunals/kings-bench-division-of-the-high-court>