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# **Flexibility Services**

**Ref: NPg26308**

## **Mini Competition Invitation to Tender**

### **Instructions to Bidders**

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# 1. Introduction

## 1.1. Procurement Documents

This document is the first in the wider suite of procurement documents which comprise of the following:

Document 1: Mini Competition – Instructions to Bidders (this document)

Document 2: Scope and Specification

Documents 1 - 2 together comprising the **Mini-Competition Procurement Documents**

## 1.2. Purpose and Scope of this Document

The purpose of this document is to explain the evaluation process and the requirements of respondees (**Bidders**) participating in this Mini-Competition for the Flexibility Services (the **Requirement**) run by and on behalf of Northern Powergrid.

This mini-competition is run in accordance with the terms and conditions of Flexibility Services.

The purpose of this document is to explain the evaluation process and the requirements of respondees (**Bidders**; i.e. flexibility services providers) participating in the Flexibility Services (the **Requirement**) run by and on behalf of Northern Powergrid.

The Preferred Bidder(s) have entered into separate, but identical Flexibility Service Agreements with Northern Powergrid (Northeast) plc and Northern Powergrid (Yorkshire) plc respectively, as the Requirement will cover both the North East and Yorkshire licence areas of Northern Powergrid. In this Invitation to Tender (ITT), the “**Company**” refers to both Northern Powergrid (Northeast) plc and Northern Powergrid (Yorkshire) plc.

This Instructions to Bidders document:

- sets out the conditions for participation. By participating in the tender process the Bidder is deemed to accept these Conditions of Participation (section 2 and section 3);
- asks Bidders to submit their Tenders in accordance with the instructions set out in the remainder of these Instructions to Bidders;
- sets out the overall timetable and process for the procurement to Bidders (section 3.1);
- provides Bidders with sufficient information to enable them to submit a compliant Tender (section 2 and section 3);
- sets out the award criteria and the evaluation models that will be used to evaluate the Tenders (section 2.3); and
- explains the administrative arrangements for the receipt of Tenders (section 5.1.2).

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## 2. Background

### 2.1. Background to the Requirement

This section provides an overview of the Requirement, presents the key areas associated with the implementation of the Requirement and a description of the intended Trade Award that is the subject of this procurement.

#### 2.1.1. Solution Sought

As part of our commitment to develop and roll-out flexibility capabilities, we are seeking to contract with parties who can offer flexibility services in relation to assets that meet our requirements.

We are seeking flexibility services that will either increase the export of power or decrease the import of power at certain specified locations on the network.

We are signposting our flexibility needs to the market using an online flexibility platform, Piclo Flex,

### 2.2. Objective of this Procurement

The objective of this procurement is to identify the most economically advantageous tenders as determined by the evaluation process set out in this ITT (**MEAT**).

It is the Company's intention to award to the Bidders who submit the MEAT for the following Flexibility Service Agreement(s).

#### 2.2.1. Trade Awards Value

The anticipated value of the Trade Awards is approximately £600,000

#### 2.2.2. Documents Forming the Flexibility Service Agreement

The following documents shall form part of the Flexibility Service Agreement between the Company and the Preferred Bidder:

- Flexibility Services Agreement between the Preferred Bidder and Northern Powergrid (Northeast) plc
- Flexibility Services Agreement between the Preferred Bidder and Northern Powergrid (Yorkshire) plc
- Trade Awards

(together, the **Flexibility Service Agreements** and each a **Flexibility Service Agreement**)

#### 2.2.3. Pricing Assessment

Bids shall be evaluated to establish that the offer can form all, or part, of a cost effective portfolio of flexibility services for the location.

**Capacity** - Can offer the capacity at a single price or split the capacity into smaller volumes but at different prices.

**Service Windows** – Can bid for all or part of the Service Windows of a competition .

Detailed instructions on how to submit bids are available from Piclo Flex at <https://support.picloflex.com/>

Northern Powergrid shall rank and award bids as follows:

#### Ranking of Bids

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Bids will be grouped into two categories:

1. Category #1 = Operational Assets with MPAN provided
2. Category #2 = Operational Assets without MPAN provided and planned assets where the Scope and Specification document specifies that planned assets are eligible

Within each category, bids will then be ordered based on the following:

1. Lowest to highest price per MWh
2. Where two or more bids are the same price per MWh, on an earliest-to-latest bid submission basis

### **Awarding Bids**

Bids will then be awarded in order from lowest price to highest price within Category #1 until the capacity requirements of the competition have been met. If insufficient capacity has been accepted to meet the capacity requirement, bids from Category #2 will be awarded in the same manner.

Northern Powergrid may reject a lower price bid and accept a higher price bid, if it results in lower overall costs of meeting the required capacity.

### **Note**

For the Scheduled Utilisation product, 'price per MWh' means the Utilisation Price bid.

For the Scheduled Availability + Operational Utilisation (SAOU) product, 'price per MWh' means the effective price per bid (£/MWh). The effective price is used for the purposes of comparing bids. It takes account the Availability Price bid, the Utilisation Price bid and the anticipated dispatch rate. It is calculated per bid as follows:

Effective price of bid (£/MWh) =

$$\frac{[\text{Volume of availability bid (MWh)} * A (\text{£/MWh})] + [ \text{ADR} * \text{Volume of availability bid (MWh)} * U (\text{£/MWh}) ]}{\text{ADR} * \text{Volume of availability bid (MWh)}}$$

Where

A = Availability Price bid

U = Utilisation Price bid

ADR = Anticipated dispatch rate (%)

The anticipated dispatch rates for the SAOU product are set out in Document 2: Scope and Specification

Document 2: Scope and Specification sets out the products that will be procured in this mini-competition and the product variants i.e. when dispatch decisions will be made.

## **2.3. ITT Clarification Rounds**

### **2.3.1. Clarifications**

Bidders shortlisted in respect of their Round 1 Submission (**Clarifications**).

The Company's right to ask for clarifications under this section 2.3.1 does not affect or prejudice its rights under section 6.7, in particular the right to seek clarification or documents in respect of a Bidder's submission at any time.

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### 3. Trade Award

Following the Company's acceptance of the **Preferred Bidders** bid(s), the Company will issue the Trade Award Letters relating to the outcome(s) accordingly.

#### 3.1. Procurement Timetable

This procurement will follow a clear, structured and transparent process to ensure a fair and level playing field is maintained at all times, and that all Bidders are treated equally.

The key dates and phases for this procurement (**Timetable**) as currently anticipated are set out below. This is intended as a guide and whilst the Company does not intend to depart from the Timetable, it reserves the right to do so at any stage.

Any changes to the procurement Timetable shall be notified to all Bidders as soon as practicable.

Procurement Phase	Estimated Date
ITT Issued	Tuesday 2 June 2026
Bidder Clarification Queries Deadline	Monday 15 June 2026 @ 12:00
Bidding Window	Tuesday 16 June 2026 @ 09:30 - 16:30
Submission Deadline (Bidding Window Closes)	Tuesday 16 June 2026 @ 16:30
Start of Evaluation and Clarifications by the Company	Wednesday 17 June 2026
Trade Award Letter Issued	Tuesday 23 June 2026

### 4. Instructions to Bidders

#### 4.1. Communication with the Company

##### 4.1.1. Piclo Flex

All communications (including provision of information and documents, clarifications and Tender submissions) relating to the ITT Stage will be dealt with via the Company's electronic procurement portal Piclo Flex at [www.picloflex.com](http://www.picloflex.com) (**E-Tendering Portal**).

#### 4.2. Submission of Clarification Questions

Bidders may submit any queries regarding this ITT Stage (CQ) via the E-Tendering Portal messaging service.

If the Bidder believes that a CQ is confidential and/or commercially sensitive, it should highlight this in the heading or text of the CQ. The Company will review the query and decide whether the response to the Bidder's query should be circulated to all Bidders engaged in the ITT Stage in line with the provisions set out at section 6.4.

The Company will then consider whether it agrees that the CQ is confidential or commercially sensitive. If accepted as such, the Company will post an answer to that Bidder only. If not, the Company will inform the Bidder and allow the Bidder to withdraw the CQ. If the CQ is not withdrawn,

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the Company will post an answer via the e-tendering portal messaging service which is visible to all Bidders and, in either case, such response will then form part of this ITT.

Any CQ must be submitted as above prior to the deadline stated in Clause 3.1.:

CQs posted after this date may not be answered.

### **4.3. Submission**

The Company is using the Piclo Flex platform to run the tender process for this Invitation to Tender. Piclo Flex can be accessed via the following link: [www.picloflex.com](http://www.picloflex.com)

To take part in this Tender, Bidders are required to register assets on to the Piclo Flex platform and enter them into competitions. The Scope and Specification document indicates whether only operational assets will be eligible to enter into the competitions or whether planned assets will also be eligible.

The Company will disqualify any unsuitable assets.

Bidders are advised to register assets early and in advance of the bidding window so that they can be aware of any disqualifications by the company before submitting a bid.

There is no charge for Bidders to register assets on to the Piclo Flex platform.

## **5. General Instructions to Bidders**

### **5.1.1. Qualification of Tenders**

Tenders must be submitted without qualifications.

### **5.1.2. Formalities**

All documents comprising the Tender must be completed and uploaded to the E-Tendering Portal by the Deadlines as indicated in the Timetable.

The following requirements must be adhered to when submitting Tenders:

- The pages of the Tender documents must be numbered sequentially as "Page x of xx" and include the date and title of the document on each page of the main body.
- Any additional pre-existing material which is necessary to support the Tender should be included as schedules with cross-references to this material in the main body of the Tender. Cross-references to this Instructions to Bidders should also be included in the Tender whenever this is relevant.
- Where documents are embedded within other documents, Bidders must upload separate copies of the embedded documents.
- The Tender must be in English and drafted in accordance with the drafting guidance set out in this Instruction to Bidders. A response submitted in any other language will be deemed to be non-compliant and will be rejected.
- Price and any financial data provided must be submitted in, or converted into, pounds sterling. Where official documents include financial data in a foreign currency, a sterling equivalent must be provided.
- Each Tender must be uniquely named or referenced.
- The Tender must be fully cross-referenced.
- A list of supporting material must be supplied.
- The Tender must be clear, concise and complete. The Company reserves the right to mark a Bidder down or exclude them from the procurement if its Tender contains any ambiguities, caveats or lacks clarity. Bidders should submit only such information as is necessary to

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respond effectively to this ITT. Subject to sections 2.3. Tenders will be evaluated on the basis of information submitted by the respective Deadline unless the Company exercises its right to clarify responses as set out in section 6.7.

### **5.1.3. Form of Tender**

The Flexibility Service Agreement has been signed as an overarching agreement as part of your commercial prequalification process application and you accept that no amendments can be made. All submissions made shall be subject to the Flexibility Service Agreement.

Having examined and completed where necessary the tender documents, you are willing to enter into a contractual obligation incorporating the tender documents and your submission, or one subsequently established in accordance with the tender process, and to complete the requirements in accordance with the contractual obligation.

Agree that your submission is a bona fide tender, which you have not communicated to any person the tender prices, and that such prices have not been fixed or adjusted by arrangement or in collusion with any other party.

You acknowledge and agree that the tender documents and any related information issued / your tender submission are confidential and have not and shall not be disclosed, copied and/or disseminated to any individual and/or entity (other than for the purposes of submitting the tender).

#### **5.1.3.1. Bidder to Establish Required Information**

Bidders must obtain for themselves at their own responsibility and expense all information necessary for the preparation of Tenders.

The Company relies on Bidders' own analysis and review of information provided. Consequently, Bidders are solely responsible for obtaining the information which they consider is necessary in order to make decisions regarding the content of their tenders and to undertake any investigations they consider necessary in order to verify any information provided to them during the procurement process.

Bidders must form their own opinions, making such investigations and taking such advice (including professional advice) as is appropriate, regarding the goods and services and their tenders, without reliance upon any opinion or other information provided by the Company or their advisers and representatives. Bidders should notify the Company promptly of any perceived ambiguity, inconsistency or omission in this invitation to tender, any of its associated documents and/or any other information issued to them during the procurement process.

### **5.1.4. Consortia and Subcontractors**

The Company requires all Bidders to identify whether and which subcontracting or consortium arrangements apply in the case of their Tender, and in particular specify the share of the Flexibility Service Agreements it intends to sub-contract, any proposed sub-contractors, and precisely which entity they propose to be the contracting party.

Bidders must furnish evidence of its legal structure as a single company or, if the Bidder is a consortium, the following information must be submitted with the Tender:

- the legal relationship among the consortium members;
- the role and responsibility of each consortium member; and
- a certified copy of the complete joint venture or consortium agreement, signed by all parties must be, together with powers of attorney authorising the execution of the agreement.

Any introduction of, or changes to, consortium members by a Bidder prequalified by the Company must be approved in writing by the Company.

The Bidder shall ensure that each and every sub-contractor, consortium member and adviser abides by the terms of this Instructions to Bidders.

For the purposes of this ITT, the following terms apply:

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- **Consortium Arrangement.** Groups of companies come together specifically for the purpose of bidding for appointment as the Preferred Bidder and envisage that they will establish a special purpose vehicle as the prime contracting party with the Company.
  - **Subcontracting Arrangement.** Groups of companies come together specifically for the purpose of bidding for appointment as the Preferred Bidder, but envisage that one of their number will be the Preferred Bidder, the remaining members of that group will be subcontractors to the Preferred Bidder.

### **5.1.5. Change in Circumstances**

Should a Bidder's circumstances change following its selection to participate in the procurement or following Tender submission (including throughout any stages of the procurement), to the extent that:

- such change in circumstances would reasonably be expected to influence the Company's decision to invite the Bidder to submit a Tender; or
- the Bidder's ability to honour the obligations contained within its Tender is materially affected,
- the Company will assess the impact of the change and reserves the right to request further information from the Bidder in relation to any change in circumstances.

For any changes in a Bidder's circumstances, the Company reserves the right to:

- impose any conditions as it considers appropriate in relation to the basis on which the Bidder may continue to participate in the procurement process; or
- exclude the Bidder from further participation in the procurement.

### **5.1.6. Late Tenders**

Bidders are advised to upload their tender response and supporting documentation in the relevant section of the E-Tendering Portal tender event in good time. Leaving it until near the closing time may result in the event closing before all documents are uploaded. Bidders may amend any tender documentation uploaded and submitted at any time prior to the expiry of the relevant deadline (whether indicated in section 3.1, or if the Company departs from the Timetable at section 3.1, then as otherwise notified to Bidders). Failure to upload documents before the expiry of the Deadline will result in no bid being received by the Company. Any bid received outside of the relevant sections in the E-Tendering Portal event will be deemed to be non-compliant and may be rejected. Late tender submissions will only be considered at the discretion of the Company.

## **6. Conditions of Participation**

### **6.1. Tender Validity**

Tenders shall remain open for acceptance for a period of 30 days from the specified closing date for the receipt of tenders (Tender Validity Period). A tender valid for a shorter period may be rejected.

In exceptional circumstances, prior to expiry of the Tender Validity Period, the Company may request the Bidder to extend the period of validity. The request and subsequent response shall be made in writing.

### **6.2. Modification and Withdrawal by Bidders**

No tender may be withdrawn or modified in the interval between the tender due date and the expiration of the period of Tender Validity Period specified in section 6.1 above by the Bidder unless agreed with the Company.

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### **6.3. Warnings and Disclaimers**

While the information contained in this ITT Instructions to Bidders is believed to be correct at the time of issue, neither the Company or its advisers, will accept any liability for its accuracy, adequacy or completeness, nor will any express or implied warranty be given. This exclusion extends to liability in relation to any statement, opinion or conclusion contained in or any omission from, this ITT Instructions to Bidders (including its appendices) and in respect of any other written or oral communication transmitted (or otherwise made available) to any Bidder. This exclusion does not extend to any fraudulent misrepresentation made by or on behalf of the Company.

If a Bidder proposes to enter into a Flexibility Service Agreement with the Company, it must rely on its own enquiries and on the terms and conditions set out in the Flexibility Service Agreement(s) (as and when finally executed), subject to the limitations and restrictions specified in it.

Where this ITT Instructions to Bidders describes any contractual arrangements which are not yet in force, these arrangements are subject to change. Any reference to a Flexibility Service Agreement or other document is qualified in full by reference to the full Flexibility Service Agreements or document.

This document, the ITT Procurement Documents and any other documents provided to any person by the Company or any of the Company's representatives in connection with this Requirement are subject to Flexibility Service Agreement(s) and are neither intended to nor shall they be capable of creating legally binding obligations (including in respect of any warranty, undertaking or representation) on the Company or its representatives.

No Flexibility Service Agreements(s) shall exist between any Bidder and the Company until the Trade Award letter is issued.

Neither the provision of any ITT Procurement Document nor any other document provided to any person by the Company in connection with this procurement constitutes a commitment by the Company to award any Flexibility Service Agreement(s) or enter into any other agreement or arrangement with any person. The Company reserves the right to choose not to award any Flexibility Service Agreement(s) as a result of this procurement.

The Company reserves the right to amend, supplement, waive, withdraw or terminate any or all of the procurement and the ITT Procurement Documents at any time without notice being given to potential Bidders or Bidders, or to re-invite responses on the same or any alternative basis.

Neither the issue of the ITT Procurement Documents, nor any of the information presented in it, should be regarded as a commitment or representation on the part of the Company (or any other person) to enter into a contractual arrangement.

### **6.4. Confidentiality**

The ITT Procurement Documents are made available on condition that their contents (including the fact that the Bidder has received them) are kept confidential by the Bidder and are not copied, reproduced, distributed or passed to any other person at any time, except for the purpose of enabling the Bidder to submit a Tender.

The Company may disclose detailed information relating to Bidders and their tenders to its officers, employees, agents or advisers and the Company may make any of the Contract documents available for private inspection by its officers, employees, agents or advisers. The Company also reserves the right to disseminate information that is materially relevant to the procurement to all Bidders, even if the information has only been requested by one Bidder, subject to the duty to protect each Bidder's commercial confidentiality in relation to its Tender.

### **6.5. Publicity**

No publicity regarding the subject matter of this procurement, the Requirement or the award of any Flexibility Service Agreements will be permitted unless and until the Company has given express written consent to manner and form of any relevant communication. For example, no statements

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may be made publicly, including to the media, regarding the nature of any Tender, its contents or any proposals relating to it without the prior written consent of the Company.

## **6.6. Bidder Conduct and Conflicts of Interest**

Any attempt by Bidders or their advisers to influence the Trade Award process in any way may result in the Bidder being disqualified. Specifically, Bidders shall not directly or indirectly at any time:

- devise or amend the content of their Tender in accordance with any agreement or arrangement with any other person, other than in good faith with a person who is a proposed partner, supplier, consortium member or provider of finance.
- enter into any agreement or arrangement with any other person as to the form or content of any other Tender, or offer to pay any sum of money or valuable consideration to any person to effect changes to the form or content of any other Tender.
- enter into any agreement or arrangement with any other person that has the effect of prohibiting or excluding that person from submitting a Tender.
- canvass the Company or any employees or agents of the Company in relation to this procurement.
- attempt to obtain information from any of the employees or agents of the Company or their advisers concerning another Bidder or Tender.

Bidders are responsible for ensuring that no conflicts of interest exist between the Bidder and its advisers, and the Company and its advisers. If any conflict of interest or potential conflict of interest between a Bidder, its advisers, the Company and its representatives or any combination thereof becomes apparent to the Bidder, it shall inform the Company immediately in writing, and the Company shall, in its absolute discretion, decide on the appropriate course of action. If the Company becomes aware of any conflict of interest or potential conflict of interest that a Bidder has not declared to the Company, such Bidder may be disqualified from this procurement.

## **6.7. The Company's Rights**

The Company shall not be committed to any course of action as a result of:

- issuing the Mini-Competition Procurement Documents or any invitation to participate in this procurement;
- an invitation to submit any response in respect of this procurement;
- communicating with a Bidder or a Bidder's representatives or agents in respect of this procurement; or
- any other communication between the Company (whether directly or by its agents or representatives) and any other party.

The Company reserves the right to:

- waive or change the requirements of the procurement process (including the ITT Procurement Documents) from time to time without prior (or any) notice being given by the Company.
- seek clarification or documents in respect of a Bidder's submission. Failure to respond adequately may result in the Bidder not being selected.
- disqualify any Bidder that does not submit a compliant Tender in accordance with these Instructions to Bidders or other ITT Procurement Document.
- disqualify any Bidder that is guilty of serious misrepresentation in relation to its Tender or any other aspect of the procurement process.
- disqualify any Bidder failing to comply fully with the requirements of this ITT Stage.

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- disqualify any Bidder if there is a change in identity, control, financial standing or other factor impacting on the selection and/or evaluation process affecting the Bidder.
  - withdraw any ITT Procurement Document (or any aspect of it) at any time, or to re-invite Tenders on the same or any alternative basis.
  - terminate this procurement process at any time for any reason or choose not to award any Trade Award as a result of this procurement process.
  - not to award work if the costs prove unaffordable against allowances.
  - eliminate Bidders from consideration during the tendering process; in this case the Company will inform the Bidder in writing explaining the reason for the decision.
  - to base its evaluation of the tender upon what is submitted by the event closing date and time. Any tenders submitted ahead of the event closure will remain sealed and unopened until the event closes.
  - make whatever changes it sees fit to the Timetable, structure or content of the procurement process, depending on approvals processes or for any other reason. This may include (but is not limited to):
    - amending the Conditions of Participation of these Instructions to Bidders;
    - amending the Instructions to Bidders of these Instructions to Bidders;
    - cancelling or amending the evaluation process at any stage.

The Company does not accept responsibility for the premature opening or mishandling of tenders that are not submitted in accordance with these instructions.

All material issued in connection with this ITT shall remain the property of the Company and shall be used only by the intended recipients for the purpose of preparing a Tender.

## **6.8. Bid Costs**

Bidders are solely responsible for the costs, expenses, charges and liabilities arising in connection with the preparation and submission of their Tender and their involvement at all other stages of the procurement process.

The Company will not in any circumstances be liable for any bid costs, expenditure, charges, liabilities, work or effort incurred by a Bidder, whether direct or indirect, in proceeding with or participating in this procurement, including if the procurement process is terminated or amended by the Company.

## **7. Guarantees / Alternative Security**

The Company shall be entitled to carry out checks on the financial standing of any Bidders at ITT Stage. The Company will carry out financial standing checks using a third party credit reference agency (at no cost to the Bidder). Bidders are expected to achieve a credit score of 35 or above (Risk Factor). If a Bidder scores less than the Risk Factor, the Company will require the Bidder to mitigate the risks associated with its financial standing identified by the Risk Factor. The Company will require the Bidder to agree a form of financial security acceptable to the Company. Acceptable forms of security may include: a performance bond, parent company guarantee (where the parent company achieves the Risk Factor or above in a check against its own financial standing) and/or letter of credit (Adequate Financial Security). If a Bidder refuses, or is unable, to put in place Adequate Financial Security then the Company reserves the right not to award the Flexibility Service Agreement to that Bidder. The Company will then revert to the next highest ranking Bidder as determined in accordance with section 2.2.3 and the next highest ranking Bidder will then be named as a Final Bidder and enter into the Final Bidder Confirmation with the Company.

In the case of consortia, the Company will require confirmation that the consortium will provide either a parent company guarantee (where the parent company achieves the Risk Factor or above

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in a check against its own financial standing) from the lead consortium member or an equivalent level of security.

## **8. Agree to be Bound by Tender Acceptance**

The Bidder in submitting the Tender agrees that in the event of the tender being accepted by the Company and the Company confirming in the Trade Award Letter, to be bound to the new contractual obligation under the pre-signed Flexibility Service Agreement(s) in the form set out in the invitation to tender or in such amended form as may subsequently be agreed.

### **8.1. Agree to be Bound by these Conditions**

By submitting a response in relation to these Instructions to Bidders or any other document in the ITT Procurement Documents, the Bidder agrees to be bound by the above Conditions of Participation.

Any disputes, claims, proceedings or any other legal rights or processes arising hereunder or connected hereto in any way whatsoever will be governed by and construed in accordance with the laws of England and Wales and Bidders, by accepting receipt of the ITT Procurement Documents, agree to submit to the exclusive jurisdiction of the English courts.