

# Launch of Summer Tender for Flexibility Services

We are pleased to introduce our upcoming tender which will go live on Thursday, 7 August 2025. This briefing provides you with key information about the tender including locations, capacity requirements, pricing, and key information about the tender process.

For more information, contact us at <u>flexibility@northernpowergrid.com</u>

### Introduction

This is our 2025 long term tender. We are seeking to procure 11.2 MW across 5 high voltage (HV) zones and 13 low voltage (LV) zones for winter 25/26 and winter 26/27. This includes HV zones that we have not recently tendered Wheatacre Road and Audby Lane.

In total, we are seeking to procure 4,682 MWh with a maximum budget of £1.7 million.

For the first time we have presented our requirements in weekly service periods to more closely reflect our flexibility needs, maximising the value available to bidders.

The summer tender will be followed by a series of monthly, month-ahead tenders during the Autumn and Winter of 2025/26 to top up the flexibility capacity as required for winter 2025/26. In those monthly tenders we will be procuring the Operational Utilisation + Scheduled Availability product which will be dispatched week ahead.

# **Flexibility Requirements**

The service windows we are tendering for are for Winter 25/26 and Winter 26/27.

We are seeking to manage demand constraints at 5 primary substations on our HV and 13 distribution substations on our LV network. We are procuring the Scheduled Utilisation product that provides certainty of delivery requirements and value for Flexibility Services Providers. Our requirement is for demand turn-down or generation turn-up.

These competitions are visible now on the Piclo dashboard with associated data files available on the Northern Powergrid profile page.

A summary of the requirements, including MWh and guide prices per zone are on pages 3 and 4. Because of the granularity of the requirements, in this briefing we present a summary of the requirements per zone. For the detailed requirements in full, please visit Piclo Flex. The invitation to tender (ITT) will be issued and the competitions will go live on Piclo Thursday, 7 August 2025.

#### Key dates for tender

Recommended deadline for for new providers to apply to DPS for commercial pre- qualification	Monday, 30 June 2025
ITT issued & competitions go live	Thursday, 7 August 2025
Deadline to confirm asset entry into competitions	Thursday, 21 August 2025 (noon)
Bidding window opens	Tuesday, 2 September 2025 (noon)
Bidding window closes	Tuesday, 9 September 2025 (noon)
Bid Acceptance / Rejection Confirmed	Late September 2025
Earliest service start date	Monday, 3 November 2025

#### Contact us

We're very happy to chat with new or existing flexibility service providers. If you have any questions or would like to set up a 1-2-1 meeting with one of our team, email us at flexibility@northernpowergrid.com.

Contact <a href="mailto:support@picloflex.com">support@picloflex.com</a> for help with setting up your account or using Piclo.

# Tender process – what's different from previous tenders?

- Weekly service periods so that service windows and capacity requirements more closely reflect our flexibility needs, maximising the value available to bidders.
- Trade awards will be made under the overarching flexibility services agreement that FSPs sign as part of the commercial prequalification process. This means that there is no need for successful bidders to execute another contract.
- We are not running an 'expressions of interest' process alongside the tender. If you would like to understand our potential future flexibility requirements, please visit our Open Data Portal and check out the Network Development Report for the upcoming requirements for flexibility services.

# Tender process – what's the same as previous tenders?

- Following the success of using the Scheduled Utilisation product to defer network reinforcement, we are continuing to use this product that provides certainty of delivery requirements at the point of contracting.
- The competitions will be run on the Piclo platform. For help with setting up your account or using Piclo please contact support@picloflex.com.
- Once the ITT has been issued, all questions relating to the tender should be submitted via support@picloflex.com.
- As well as submitting bids into the Piclo market platform, bidders are to submit the following accompanying documents to support@picloflex.com before the bidding window closes. Full details of this will be given in the ITT but are summarised here:
  - o A signed 'Form of Tender'
  - A proposed baseline and accompanying narrative to explain the proposed baseline. See the 'explainer' box on page 5 for more information.
- Intermittent generation assets, such as solar PV and wind turbines, cannot be dispatched in response to a utilisation instruction. They are therefore not eligible to provide generation turn-

up services. For more information, see the 'explainer box on page 6)

• Our bid decisioning approach prioritises operational with assets with MPANs over other assets. We strongly recommend that you upload MPAN information when registering assets. See the 'explainer' box on page 6 for more information.

### How to participate in our flexibility tender

Step 1: If you're new to Piclo Flex then create an account. Once you have your account, we recommend that you upload your flexibility assets. Find out more about uploading assets here.

Step 2: If your organisation is not already prequalified to provide flexibility services to Northern Powergrid, you should apply for company qualification before the Dynamic Procurement System (DPS). We recommend that you do this by noon on Monday, 30 June 2025. Find out more about the DPS application here.

Step 3: When the ITT is published on Thursday, 7 August 2025, this will include an instructions to bidders document and we recommend that you read this carefully.

Step 4: Once you have passed company qualification and uploaded assets in competition zones, you will be in a position to complete competition qualification i.e. to confirm entry of assets into the competitions you wish to bid into. The deadline for this is step is noon on Thursday, 21 August 2025.

Step 5: Submit bids during the bidding window which is from noon on Tuesday, 2 September 2025 to noon on Tuesday, 9 September 2025. Remember to submit the other documents required: the signed Form of Tender and information on baselining.

# Did you know that....

.... you can specify a 'maximum runtime' when submitting a bid. For example, If the competition service window is four hours long, but the longest your assets can deliver the service is two hours, you can still bid. Just specify a max runtime of two hours.

.... you can submit 'split bids'. Instead of submitting one bid per service window for the entire capacity of your asset, you can split that capacity into smaller amounts. This allows you to offer different prices against subsets of capacity.

# **Requirements for Summer 2025 Tender**

# Summary of confirmed HV flexibility needs

Flexibility Services to be provided by assets connected at or below 11kV.

_		2025/26					
Postcode	CMZ name				Required		
DN17 4BB	Scunthorpe - Crowle	0.320	9	902	39	35,513	
YO25 9EH	Driffield - Kirkburn	0.600	4	659	132	86,935	
HG2 7PT	Harrogate - Starbeck	1.000	3	2,119	31	65,964	
S36 8WR	Stocksbridge - Wheatacre Road	1.500	17	818	356	291,185	
LS22 7SU	Wetherby - Audby Lane	5.000	9	196	1388	271,774	

_		2026/27					
Postcode	CMZ name	Peak Capacity Required (MW)	of weeks	$\sim$	Required		
DN17 4BB	Scunthorpe - Crowle	0.750	17	393	131	51,591	
YO25 9EH	Driffield - Kirkburn	1.800	5	290	474	137,413	
HG2 7PT	Harrogate - Starbeck	1.400	4	1,720	84	144,447	
S36 8WR	Stocksbridge - Wheatacre Road	1.500	18	632	445	281,072	
LS22 7SU	Wetherby - Audby Lane	5.000	9	183	1430	262,334	

Example of full detailed requirements: Driffield Kirkburn 2026/26

Service Period Name	Window name	Window start time	Window End time		
2026 week 47	Day	10:00:00	19:00:00	Mon-Fri	0.300
2027 week 2	Day & evening	6:00:00	22:00:00	Mon-Fri	1.800
2027 week 3	Day & evening	6:00:00	22:00:00	Mon-Fri	1.800
2027 week 4	Day & evening	6:00:00	22:00:00	Mon-Fri	1.800
2027 week 5	Day	7:00:00	18:30:00	Mon-Fri	0.500

# Summary of confirmed LV flexibility needs

Flexibility services to be provided by assets connected at or below 415V.

_		2025/26				
Postcode	CMZ name	Peak Capacity Required (MW)	of weeks		Required	
NE66 1PR	Alnwick - Alnwick Fleece	0.050	1	1,555	1.8	2,721
LS2 9AR	Leeds - Archery Road 2051	0.025	3	1,814	1.5	2,721
WF3 1HT	Wakefield - Batley Road 2243	0.025	3	1,814	1.5	2,721
NE30 2LQ	North Shields - Broadway Tynemouth	0.150	19	34	79.8	2,721
TS27 4NJ	Hartlepool - Chaucer Avenue	0.075	19	68	39.9	2,721
NE46 1HJ	Hexham - Dene Avenue	0.040	3	1,022	2.1	2,146
YO62 6JE	York - Kirbymoorside West	0.050	3	907	3.0	2,721
DH9 7EJ	Beamish - Lime Street	0.075	9	170	9.3	1,584
NE29 6XX	North Shields - Rowntree Way	0.050	5	389	7.0	2,721
LS6 1JJ	Leeds - Royal Park Road 348	0.075	8	162	16.8	2,721
BD3 8HY	Bradford - Thornbury Avenue	0.050	5	568	4.6	2,623
NE61 3AR	Morpeth - Ulgham	0.025	2	1,361	1.0	1,361
DN5 9SJ	Doncaster - Yarborough Terrace	0.050	5	635	4.0	2,513

As well as viewing the competitions on the Piclo Flex dashboard, you can download data files with details of the competitions and their map polygon or postcode data on the 'documentation' tab here

# Explainer: Baselining for Scheduled Utilisation Product

# 7.1 Accepted Methodologies

Northern Powergrid accepts the following baselining methodologies as standard:

## 7.1.1 Fixed Reference– Domestic Households

For DERs that comprise in part or in whole, a domestic household, unless the requirements set out in section 7.1.3 can be met, Northern Powergrid requires any portion of the baseline that is attributed to general domestic household load to be set based on our published fixed reference baseline. The fixed reference baseline is called "Northern Powergrid – Fixed Reference Baselines" and is available in the supporting documents here.

# 7.1.2 Fixed Reference– Domestic EV Chargers

For DERs that are Domestic EV Chargers, Northern Powergrid has produced an optional fixed reference baseline which may be used by the bidder. The reference baseline is called "Northern Powergrid – Fixed Reference Baselines" and is available in the supporting documents here.

# 7.1.3 Self-Nominated

Northern Powergrid allows bidders to submit self-nominated baselines where any of the following criteria are met:

• The DER is a Domestic Household and the bidder can provide sufficient evidence to satisfy Northern Powergrid that our fixed reference baseline does not provide an appropriate baseline for their specific, submitted asset(s). An example of this could be half hourly smart meter data from the asset being included in the bid submission;

• The DER is a Domestic EV Charger and the bidder opts to provide a self-nominated baseline rather than use Northern Powergrid's fixed reference baseline; or

• The DER is any other Asset Type not listed in Northern Powergrid's fixed reference baselines, detailed above.

# 7.2 Submission of Baseline to Northern Powergrid

Wherever possible, bidders should submit their baseline at point of bid submission. The format in which the baseline is submitted can be chosen by the bidder subject to meeting the following minimum standards:

- Where bidders propose to use Northern Powergrid's fixed reference baselines, this should be clearly stated;
- Where bidders propose to use a self-nominated baseline, accompanying narrative to explain the proposed baseline must be provided with supporting evidence where appropriate;
- The submission must cover the full service period covered by the bid submission;
- Baseline data must be submitted for the full duration of the service window, even if the bid specifies a max runtime that is less than the full duration of the service window.

If the bidder is unable to submit a baseline at point of bid submission, Northern Powergrid will allow bidders to submit their baseline post-bid submission provided that the bidder:

• Includes supporting narrative in their bid submission as to why they have been unable to submit a baseline at point of bid submission, and when they expect to be able to provide the data; and

• The baseline is submitted to Northern Powergrid no later than 14 days prior to the first service period.

Bidders must upload the baseline and/or the supporting narrative via the Piclo Flex Messaging Service - support@picloflex.com at point of bid submission.

# 7.3 Validation and Setting of Baseline

Northern Powergrid will use the baseline submission to verify the capability of the DER to provide flexibility. We reserve the right to not accept a submitted baseline and require the bidder to use an

alternative baseline which will be used to calculate the actual service delivered and payments due. We will notify of the acceptance or rejection of their submitted baseline.

The baseline shall be set prior to the first service period. It may be reviewed and updated in the light of relevant material changes e.g. a change to the asset portfolio or new evidence such as actual meter readings.

# Explainer: Types of asset that can provide demand turn-down/generation turn-up services

To be eligible to enter into a competition for these services, an asset must be "dispatchable", which means an asset is capable of being scheduled, activated, or adjusted by the Flexibility Services Provider (FSP) in response to a specific instruction or a long term change in electricity demand / generation is achieved through a single intervention (such as the installation of energy efficiency measures).

Any type of demand asset that can turn-down demand to a schedule is deemed to be dispatchable and is therefore eligible to enter competitions for these services.

When it comes to generation turn-up services, only generation assets that can be dispatched in response to a utilisation instruction are eligible to enter competitions for these services. This means that intermittent generation assets, such as solar PV and wind turbines, are not eligible to these enter these competitions.

However, if the solar PV or wind turbines are coupled with a battery storage asset, and the generation turnup will be provided by discharging the battery, then the participating asset should be categorised in Piclo as storage. In this example the solar PV/wind turbines are the source of energy, but it is the battery asset which is participating in the competition.

The set of valid asset categories (ie technology type) used on Piclo can be found here. The following assets are deemed as ineligible to enter into a competition on the basis that they are intermittent and non-dispatchable:

Renewable – offshore wind Renewable – onshore wind Renewable – solar PV Renewable - wave

If you are unclear about how to categorise your asset and its eligibility to enter a competition, please do contact us at Flexibility@NorthernPowergrid.com.

# Explainer: Tender evaluation criteria

Our bid decisioning approach prioritises operational assets with MPANs over other assets assets. This approach will also be set out in the tender evaluation criteria in the ITT

1. Ranking of Bids

Bids will be grouped into two categories:

- 1. Category #1 = Operational Assets with MPAN provided
- 2. Category #2 = Operational Assets without MPAN provided or Planned Assets

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
- 2. 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.