



Scottish & Southern
Electricity Networks

Constraint Managed Zones Pre-Qualification Questionnaire Scope of Work



Constraint Managed Zones – Pre-Qualification Questionnaire – Scope of Work

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1. Introduction

Scottish and Southern Electricity Networks (SSEN) build and operate networks to best meet customer needs using the most efficient and flexible techniques possible. This is why we have introduced Constraint Managed Zones (CMZ) into our every day network operations.

2. Context

SSEN is considering electrical networks which are approaching a point where the pre-existing network capacity cannot meet power requirements should an outage coincide with periods of highest demand and where the system's firm capacity (post outage) is lower than the demand. Traditional reinforcement techniques would increase overall capacity across all time periods by including an additional circuit or by up-rating an existing circuit. SSEN has established and evaluated a number of solutions to the challenges facing networks in the UK. We have formed the view that a number of these solutions are now at a state of maturity, both technically and commercially.

3. What is a Constraint Management Zone (CMZ)?

This is a geographic region served by an existing network, where network requirements related to network security of supply are met through the use of flexible services, such as DSR (Demand Side Response), Energy Storage and Stand-by Generation.

CMZ techniques do not seek to increase capacity but will reduce or time-shift demand to avoid capacity constraints. Since capacity constraints only occur at periods of maximum demand, and only if an outage coincides, CMZ techniques need only be available during pre-defined Service windows.

Should a CMZ technique require a new electrical Point of Connection to the SSEN network, the CMZ supplier should make a separate application following the normal connection application request if successful in the Pre-Qualification Questionnaire.

4. Opportunity

SSEN is running a Procurement event seeking CMZ techniques, to be offered as a 'managed service' to SSEN by a potential CMZ supplier/ s. SSEN does not consider this opportunity as a "demonstration" or an "innovation" project, and instead expects that a service provision will be fully commercial in its nature.

We do not intend to restrict potential CMZ suppliers from participating in any other market that is compatible with the CMZ contracted services. We anticipate that a key element of any successful response to the opportunity will be the effectiveness with which the supplier generates other income from the assets to increase the competitiveness of the offered service.

5. Form of contract

Any future contracts with a CMZ supplier will be built on the following high-level principles:

- SSEN will be running a Procurement event, inclusive of a PQQ (Pre-Qualification Questionnaire) and an ITT (Invitation to Tender).
- SSEN is looking to establish a multiyear Agreement with a minimum term of four (4) years subject to annual renewals up to a maximum duration of eight (8) years.
- The Agreement will be for either a single or multiple CMZ's (Zones). A Zone is determined by geography, or region and will contain specific Zone information as detailed within the CMZ Scope of Works. A map of CMZ/'s will accompany any PQQ documentation pack.
- Award of an Agreement shall follow a successful competitive procurement event conducted in accordance with the Negotiated Procedure under the Utilities Contracts Regulations 2016. It is intended that a PQQ shall be followed by an Invitation to Tender (ITT). Award criteria shall be based on the Most Economically Advantageous Tender (M.E.A.T.).
- SSEN reserves the right to tender future CMZ's as and when the need arises.
- SSEN has no technique or technology preference in terms of how the service is provided. Any assets utilised shall remain fully within the ownership of the service provider, who it is anticipated will use their assets for other purposes. All maintenance on any asset shall therefore be the responsibility of the service provider also. The service provider shall be wholly responsible for balancing the demand of various customers on their assets when deployed for other purposes outside of a defined Risk Period/ Service Windows; SSEN shall not be drawn into negotiation with other third parties.
- Full availability, within defined Service Windows will be expected. The service provider shall be able to demonstrate, via report, availability of the service across the period irrespective of use. Where the service was not available a deduction shall be made for the period the system was not available.
- Within a set period SSEN will randomly test the service irrespective of whether it is needed to ensure that it is available. Failure to respond will lead to a deduction in payment across that period. Further failure for a re-test within that period will lead to a further deduction. Multiple failures will lead to service termination.
- Failure to provide service when actually required to mitigate a network issue shall result in the provider being liable for the directly attributable damages of SSEN.

6. Customer Impact

SSEN acts to ensure the customers it serves now and into the future are protected. CMZ suppliers are required to demonstrate high customer service standards and compliance with all relevant license conditions. This is especially relevant in the areas of stakeholder/ community, customer engagement and data protection.

5. Further Information

For more information please visit: <http://ted.europa.eu/TED/main/HomePage.do> where SSEN has published a Contract Notice concerning this procurement event (20170724-005591 (17-308409-001)). If interested in participating in the Pre-Qualification process, please send an e-mail to: FN.procurement@SSE.com requesting Questionnaire.