

Bringing energy to your door

Distribution Flexibility Procurement Consultation July 2022

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Electricity North West

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INTRODUCTION

1.1 The purpose of this document

Our current flexible services processes and how we develop our tenders is a work in progress. We have considered and incorporated the customer and stakeholder feedback we have received to date, but there are still areas where we need your input. As part of our latest <u>Distribution Flexibility</u> <u>Procurement Statement</u>, we committed to leading a consultation over the summer period to better understand our stakeholder's views of how we procure Flexible Services and our future plans prior to the launch of our Autumn 2022 Flexibility tender.



Figure 1: ENWL led flexibility engagement timeline 2022-23

This consultation outlines our current processes for signposting, procuring, dispatching, and settling flexible services and asks for stakeholder feedback on what we could do to improve on these processes. This document reflects our approach for supporting the Flexibility market in Great Britain as we continue to look at ways in which we can evolve and deliver accessibility and transparency throughout our flexibility processes in this fast-developing sector. As always, our primary concern is breaking down barriers to participation to make taking part in our tenders as simple and seamless as possible for both local and national players.

1.2 Responding to this consultation

We will continue to use all feedback to inform our processes and remove any actual or perceived barriers to potential providers submitting a tender response. We strive to make it easy for our stakeholders to engage with us, focusing on the right issues and asking the right questions, to develop an offering that meets both of our needs.

This document is divided into three sections: 1) Information and Signposting, 2) Engagement and 3) Procurement. The questions directly follow each topic within the sections for ease of reference, but you can also find a summary of all questions at the end of the consultation. Please share your thoughts with us by **Friday, 30 September 2022.**

You can respond to this consultation in a number of ways:

- Complete our consultation online form or
- Email answers to: mailto:flexible.contracts@enwl.co.uk, or
- <u>Book a one-to-one surgery appointment</u> to discuss the consultation with our team.

You are also invited to sign up to attend our <u>consultation webinar</u> on 14 September from 10:00am-12:00pm, during which you can share your views and submit live answers as we discuss the questions.

1.3 About us

Electricity North West is one of 14 distribution network operators in the UK regulated by Ofgem. We operate the local electricity network and distribute electricity, mainly from the National Grid, to 2.4 million homes and businesses in the North West.

We are responsible for maintaining and upgrading 13,000 km of overhead power lines and more than 44,000 km of underground electricity cables and much more.

Our network in the North West is one of the most reliable in the country and by the end of our current regulatory period, we will have invested £1.9bn in our network to ensure we continue to deliver an excellent, safe and affordable service to all our customers.

Figure 2. Electricity North West service area

• Carlisle

🖕 Kendal

• Workington

Barrou

• Whitehaven

1.4 Our approach to flexibility

Electricity North West sees the use of flexibility services as a key Distribution System Operation (DSO) function and a vehicle for change, as it facilitates the North West's transition to net zero carbon. The rise in low carbon technologies will ultimately result in a lot more demand being placed on our network, and the cost of upgrading the network to meet this increased demand would mean higher bills for customers. We are therefore trialling smarter, more affordable techniques to use the existing network more efficiently, which will reduce costs for all our electricity customers in the future. Some of the ways in which we can facilitate the extra demand associated with the transition to net zero whilst utilising our existing network is through the procurement of flexibility services and promotion of energy efficiency measures.

At times of high electricity demand and when the network is operating abnormally, we are looking to enter into contracts with Distributed Energy Resources (DERs) to adjust how much electricity they consume or generate either through flexibility or energy efficiency measures, in return for financial payment as an alternative to traditional approaches. The aim is to reduce the cost for electricity distribution networks in customer energy bills while ensuring that our network remains reliable, resilient and meets our customers' needs.

We remain committed to ensuring we champion a level playing field for all network users with connected resources and adopt a neutral market position in everything we do. Each year we aim to increase the accessibility and transparency of flexibility services opportunities, ensuring they remain open for all to participate in, and seek to help customers understand the methodologies and criteria that are used to procure, dispatch and settle flexibility services from their DERs.

1.5 Future requirements

As we approach the end of RIIO-ED1 we are now seeing an increase in the opportunities for flexibility and energy efficiency across our network and are proud to be delivering a product that provides so many benefits to both DNOs and Flexibility Providers. Our flexibility tenders are a result of our network loading analysis using the forecasts generated from our <u>Distribution Future Electricity Scenarios (DFES)</u> processes. Our DFES report is published on our website annually and details our view of the North West's future electricity requirements. It contains a range of possible views of the future, which indicate how different influences can change electrical demand and generation on our network. On an annual basis through our DFES publication, we forecast what we expect the demand to be on our network in both the near and distant future. We then look at each of our substations and compare the firm capacity with the forecast demand. Where a constraint is identified which can be alleviated by flexibility or energy efficiency services, we publish these requirements to stakeholders via the Piclo Flex platform, our Flexibility Services newsletters, social media and press releases.

This year saw the delivery of our new **Network Management System (NMS).** This NMS provides us with a platform on which we can develop enhanced network automation and deliver significant increases in operational data sharing. Within the next few years will see the delivery of our Active Network Management (ANM) system, and the further roll out of smart meters and additional monitoring at High Voltage (HV) and Low Voltage (LV). This data coupled with aggregated smart meter data will provide increased visibility of our HV and LV networks, allowing us to understand utilisation of the network, identify both existing and upcoming constraints and expand our opportunities for flexibility services to these lower voltage levels. With approximately 34,000 distribution substations located across the North West, it is estimated that we will have up to 200 opportunities available each year, facilitating the growth of residential flexibility and energy efficiency markets and maintaining our position as a Neutral Market Facilitator.

We will continue to act in the best interest of our customers, and to procure flexibility and energy efficiency where it is economic and efficient to do so, and with these technological advancements we will be ready to support the markets of the future.

1 CONSULTATION

2.1 INFORMATION AND SIGNPOSTING

2.1.1 Website

To support our customer's transition to a net zero carbon future, it's important we share information on future electricity trends and the impact of these trends on the electricity network. This can support our customers in taking positive action towards net zero and planning new connections.

In 2022 we published our <u>Network Development Plan (NDP)</u> which is an important source of information on the future needs of the network as it shows where on our network there is insufficient capacity (for new connections and general load growth) and where flexibility services may be required in the short, medium and longer term. It also provides information on how we intend to create capacity over the next ten years.

1. Does our *NDP* provide you with confidence in developing flexible assets and portfolios within the ENWL network?

We have developed our <u>flexible services</u> area of the website to provide a range of information sources to allow stakeholders to understand what they are and how we will use your flexibility to manage the distribution network. The website includes guides on what flexible services are, how to participate in tenders, data on previous tenders including bid data, and current requirements for flexible services.

2. Is there any information missing from our website that you would find helpful?

2.1.2 Flexibility Map

Our <u>flexible services map</u> displays our latest flexibility requirements as well as data extracted from our <u>Network Development Plan (NDP)</u> on where we anticipate future requirements to be located for the next 10 years. The product icons can be selected to expand the full details of each requirement zone.



3. Is there any other information you would like the map to provide?

2.1.3 Piclo Flex Platform

We publish our flexibility tenders on the <u>Piclo Flex platform</u> which adopts a standardised procurement process to simplify our requirements and associated processes for providers of flexibility. Firstly, flexibility providers register onto Piclo's Dynamic Purchasing System (DPS) to commercially pre-qualify for participation in our tenders. Providers can then register both planned and operational assets on Piclo, before completing our online <u>Pre-Qualification Questionnaire (PQQ)</u> on our website to ensure the assets meet the technical requirements of our tender. Once qualified, providers can then submit a bid on each location they wish to participate in.

4. Do you have all the information you need on Piclo and our website to easily take part in our tenders?

5. Are there any steps of the above process that require more guidance?

Should participants require guidance during the application process, we offer support through oneto-one flexible services <u>surgery appointments</u> to assist with any queries relating to the provision of flexibility to our network.

2.1.4 Communication channels

In addition to signposting our requirements on our website and on the Piclo Flex platform, we communicate our requirements to all stakeholders on our <u>distribution list</u> via email; on the <u>ENA</u> <u>flexibility in Great Britain timeline</u>; via press release; included in our Incentives on Connections Engagement (ICE), Innovation and Community Energy newsletters and sent directly to customers connected within the constrained region.

6. Is there anywhere else we could be signposting our requirements along with helpful information about Flexible Services?

2.1.5 Data

We provide data about our <u>current requirements</u> including the forecasted half hourly demand data for the zones we are procuring within. This data currently is provided in the form of a MS Excel workbook which is downloadable from our website. In line with our plans to provide more open data we are also proposing to share our longer term forecasted data for the whole of the ED2 period (2023-2028) in a half hourly format for areas which are likely to require future flexible services. Additionally we are proposing to share mapping data for our current and forecasted future requirements in machine readable formats (.shp, .KML, .tab) via our open data portal.

7. Are there any other datasets relating to flexible services that you would find helpful?

2.2 Engagement

2.2.1 Industry engagement

As an active participant of the <u>Energy Networks Association's (ENA) Open Networks Project</u>, we collaborate with the other UK DNOs and IDNOs, the Electricity System Operator (ESO), the Department for Business, Energy and Industrial Strategy (BEIS), the energy regulator Ofgem and the Transmission Operators (TOs) to identify good practice and standardise the process of providing flexibility services to the grid to create a streamlined customer experience.

As the ENA Open Network Project consults with stakeholders widely on the scope of its work and has regular engagement with its Dissemination Forum and Challenge Group, which contains stakeholders from across the energy industry, we are confident that the outputs are welcomed across the electricity and gas sectors. This year we will continue to coordinate our approach to procuring flexibility

alongside other DNOs as we implement common platforms and continue developing standardised processes to reflect the priorities of our stakeholders and the industry.

Following publication of the Smart Systems and Flexibility Plan in July 2021, our plans throughout 2022 are driven by the need for standardisation, ensuring that we continue working collaboratively and in line with these expectations. Full details of the work products and intended deliverables can be found in the <u>Project Initiation Document for 2022</u>.

In collaboration with Work Stream 1A of the ENA Open Networks Project which is specifically aimed at flexibility services, we will be issuing a consultation throughout August and September that we will actively promote and participate in. The feedback received from the ENA consultation will inform the collective decision making and implementation of the Open Network Project's products across all Great Britain networks.

8. Are you satisfied with the work we are doing with the rest of the industry to standardise the process of providing flexibility services?

9. If not, what else would you like to see us collaborate on to standardise the flexibility market?

2.2.2 Newsletters

We issue quarterly newsletters to our <u>flexibility distribution list</u>, providing updates on future requirements, Expression of Interests (EoI), results of our tenders and upcoming events. We keep a <u>newsletter archive</u> on our website so that stakeholders can follow our journey and keep up to date with any new opportunities in our area. To reach wider audiences, we also include flexibility services updates in Electricity North West's Stakeholder Engagement, Community and Local Energy, Innovation and Incentive on Connections Engagement newsletters

10. Are you happy to receive quarterly newsletters or would you prefer more frequent newsletter updates?

2.2.3 Webinars

We deliver bi-annual flexibility webinars in Spring and Autumn following the publication of our latest requirements. These interactive online events present overviews of our procurement processes and requirements and provide guidance on the platforms utilised in the process to ensure that our stakeholders are provided with the necessary tools to submit a tender response. We welcome questions and feedback from attendees on their experiences of providing flexibility services.



Figure 4: Growing DSO Markets to Reach Net Zero event

2.2.4 In-person events

We are delighted to be back hosting in-person events where we can collaborate with flexibility stakeholders from across the country to help shape the future of the DSO flexibility markets in the UK. To demonstrate our commitment of driving simplicity and standardisation across the procurement process, we co-hosted an event with Piclo, UK Power Networks (UKPN) and Scottish Power Energy Networks (SPEN) in June at Manchester's Science and Industry Museum. *Growing DSO Flexibility Markets to Reach Net Zero* consisted of presentations, panel Q&A sessions and roundtable discussions which generated some valuable conversations around overcoming market barriers and the feedback received will help to shape our future flexibility procurement plans.

In addition to our flexibility webinars and cross industry in-person events, we intend to host regional events alongside the wider Electricity North West Distribution System Operations (DSO) team, explaining the benefits of flexible services in the context of our transition to DSO and net zero carbon, and offering 1-2-1 guidance for stakeholders wanting to decarbonise and adopt low carbon technologies. We recognise the diversity of our region and the large geographical area covered, and want to ensure we are providing support to all of our customers.

- 11. Do you prefer to attend webinars or in-person events?
- 12. If you prefer to attend in-person events, where would you like to see them being held?

2.2.5 Social media

We promote our distribution list, upcoming tenders, events and flexible services updates across the Electricity North West social media channels which include LinkedIn, Facebook and Twitter.

13. Do you use social media to stay updated with industry news and upcoming events?

2.2.6 Surgery sessions

We offer one-to-one surgery sessions for potential providers to pose specific questions to the team and for assistance in obtaining and understanding the information required to successfully participate. These sessions are available to book via our website <u>here.</u>

- 14. How likely are you to book a surgery session?
- 15. If you are not likely to book a surgery session, why?

2.3 PROCUREMENT

2.3.1 Services

We publish our tenders <u>on our website</u> and on the <u>PicloFlex platform</u> twice a year in Spring and Autumn in line with the completion of our network loading analysis and <u>Distribution Future Electricity</u> <u>Scenarios (DFES)</u> processes and subsequent reviews. Each tender specifies the type of product (response) that is required in each location. We currently procure four common products: Sustain, Secure, Dynamic and Restore which align with the <u>Open Networks service definitions</u>. We also recognise that energy efficiency measures deliver benefits across all product types and we're proud to be the first DNO to promote it as a viable option for providing flexibility to the network alongside generation turn up/ down and demand turn up/down.



Figure 6: Product overview

Service parameters	SUSTAIN	SECURE	DYNAMIC	RESTORE
Minimum declarable capacity	50kW	50kW	50kW	50kW
Minimum utilisation	30 mins	30 mins	30 mins	30 mins
Utilisation notification period	Scheduled in advance	1 week in advance	Real time	Real time
Maximum ramping period	N/A	<15 mins	<2 mins	<2 mins
Availability agreement period	N/A	Contract stage	Contract stage	Contract stage
When required?	Scheduled forecast overload	Pre-fault / peak shaving	Network abnormality / planned outage	Network abnormality
Risk to network	Low	Medium	High	High
Utilisation certainty	High	High	Low	Low
Frequency of use	High	Medium	Low	Low

Figure 5: Overview of the four common services we procure

16: What services are you most likely to tender for?

17: Are there any additional services you would like to see requested in our tenders?

2.3.2 Criteria for participation

The current minimum threshold for participating within a tender is 50kW. This response can either be provided from a single asset or an aggregated portfolio of assets. Due to the nature of the constraints we are currently tendering to alleviate, which are on our Extra High Voltage (EHV) network, we believe 50kW is currently a suitable minimum threshold.

Our view is that the value of the contracts being awarded presently would not provide a sufficient rate of return for providers at a granularity lower than 50kW as the current market stands, compared to the fixed costs associated with tendering, contracting, dispatching, and settling.

We do however believe that as we increase the granularity of the visibility of our High Voltage (HV) and Low Voltage network, through the installation of monitoring devices, that we will be able to lower the capacity threshold to facilitate smaller providers being able to participate in tenders.

18. Do you believe that currently the 50kW minimum threshold for EHV requirements is restrictive? If so what level do you think it should be set at?

Tender timeline

Figure 6 shows the timeline we utilised for the Spring 2022 tender. Our current proposal would be to replicate the structure of this timeline in our future tenders, which are published bi-annually. The timeline has been developed based upon procurement regulations and previous feedback regarding the lengths of each stage of the process.



2.3.3 Pre-qualification Questionnaire (PQQ)

We have found that although we allow a 3-month period for the registering of assets and submitting prequalification questionnaires that the majority of the submissions received are within half an hour of the deadline or after the deadline has closed.

20 What do you think of our BOO windows is it too long or short?	
20. What do you think of our PQQ window; is it too long of short?	

In order to be able to bid in our tenders we ask that all participants must fill in a technical Pre-Qualification Questionnaire for each asset and each time they wish to participate within a tender. This is so that we can ensure that participant's asset information is up to date and to provide us with sufficient information to be able to assess the different bids.

We are currently working with Piclo to further streamline this process by incorporating most of these questions onto their platform. The current process only allows for a single asset/aggregated portfolio as a single location, to be prequalified at a time. Uploading this information via the Piclo platform instead will allow for bulk asset per location/zone uploads to alleviate issues that owners of aggregated portfolios have faced. We also plan to develop an example of what a good pre-qualification

questionnaire would look like including a development timeline, number of assets by x date, capacity, calculations, and load profile for the information that is not included within the Piclo platform.

The further standardisation of all DNO's pre-qualification information is also being consulted on and addressed via the Open Networks Project, and we will continue to implement any feedback and best practice identified by this group.

21. Is there anything else we can do to improve the pre-qualification part of our procurement process?

2.3.5 Pricing

We currently operate a pay-as-bid pricing strategy for our flexibility tenders. We utilise the <u>Common</u> <u>Evaluation Methodology and Tool (CEM) to</u> determine the guide price for the competition zone at the tender stage; meaning that we will issue in the tender materials the price above which the use of flexibility or energy efficiency is deemed uneconomic. This encourages bidders to submit competitive prices and ensures consistency with our evaluation process whilst continuing to drive competition in the market. These prices are based on the annual deferral fee, and will be subject to full evaluation post bid assessment. The prices for each requirement are published within *Appendix 3- Site Requirements* on our website, in addition to being published on Piclo and our interactive flexibility map.

The CEM tool evaluates solution options comparing network capacity and network losses over the range of <u>Distribution Future Electricity Scenarios</u> (DFES) scenarios to identify the most cost-effective solution and proposes optimum contract length. This standardised industry approach provides greater visibility and confidence amongst flexibility providers and helps stimulate volumes and competition in the market, ultimately reducing costs for network customers.

To demonstrate our commitment to procuring flexibility in an open and transparent manner, we will publish a high level summary table on the latest requirement page <u>on our website</u> following each tender round, along with the full CEM tool including our evaluation of bids for each requirement zone. Further information describing this new methodology approach is also available to view via the <u>Flexibility Valuation link</u> on our website.

22. Does our approach give you confidence that we are acting in an open and transparent manner? If not, what else would you like to see?

2.3.6 Cost calculator

We recently developed a user-friendly cost calculator that can calculate a draft bid and determine if this falls below the guide price. This new tool is published as appendix 6 of our suite of tender documentation on our <u>latest requirement page</u>.



Figure 7: New cost calculator at a glance

The aim of this tool is to allow potential participants of our flexible services contracts to be able to check the prices they are offering for availability and utilisation prior to submitting a bid. This allows users to identify if their bid exceeds the guide price which we are offering as part of each tender. It should be noted that a positive or negative result from this tool does not guarantee that a bid will or will not be accepted; other factors will be considered within the awarding of contracts post tender completion.

23. Is there any other information or guidance that we can provide to help you with determining a bid price?

2.3.7 Bidding

In the pre-qualification stage of the procurement process we assess the applications received and identify bidders that meet the specified requirements. Only bidders that fulfil the requirements will be eligible to submit bids in the two-week bidding window. Bids will be submitted, and bidders notified of the outcome via <u>Piclo Flex</u>.

During the assessment period, we may hold a Post Quotation Negotiation or Best and Final Offer meeting with successful bidders. More information on how to submit a bid can be found <u>here</u>. Bids

will be assessed using the new standardised Common Evaluation Methodology (CEM) Tool and prices above the guide price provided may be accepted following full evaluation.

For the Dynamic and secure products, we currently pay both an availability payment and a utilisation payment. For Restore and Sustain product we pay only for utilisation. This is aligned with the common definitions of active power products agreed via the ENA Open Networks project.

24. Do you have a preference for either availability or utilisation payments, or a combination of both?

2.3.8 Contracts

We have adopted the new <u>Standard Flexibility Agreement</u> and will continue to adopt updated versions of the agreement, created in collaboration with all Great Britain DNOs, National Grid Electricity System Operator (ESO) and stakeholders. This consistent approach boosts market confidence and facilitates participation in flexibility markets; having a common agreement simplifies the standard contract, reduces jargon, shortens the page length and ensures clear and consistent terminology. The terms of the contract will be made publicly available on our website throughout the year and are issued as part of the suite of Invitation to Tender (ITT) documentation available at tender stage. It is a living document and remains a key deliverable for 2022 as the networks intend to further standardise the terms and move towards a framework style agreement to facilitate shorter term procurement in the near future.

The results of our tenders are communicated out to our stakeholders directly via our distribution list, formal press releases, via our Distribution Flexibility Procurement Report published in May each year, and published on our website under <u>'Previous requirements'</u>.

25. Would you prefer long or short-term flexibility contracts? Please explain your reasoning?

2.3.9 Dispatch of services

We are currently working via the Open Networks Project to provide a common standardisation for an Application Programming Interface (API) to dispatch services. We believe that only through standardised dispatch mechanisms in all UK DNOs and the ESO markets will help with interoperability for providers across multiple markets, and encourage competition within platform providers. From previous stakeholder feedback, most participants have expressed that they would prefer to be dispatched via an API as this helps with the automation of response and commonality across markets. We can also offer the ability to be dispatched via alternative methods Emails, phone calls, ENWL owned remote terminal units (RTU).

26. Do you have a preferred method of how we should communicate dispatch requirements: API / phone call / email/ RTU?

And finally,

27. Is there anything missing from our strategy that you expected to see, or any final comments you would like to make?

3 CLOSING STATEMENT

This consultation will be open for eight weeks and will **close on Friday 30th September 2022**. We welcome feedback in all formats and appreciate any level of detail you wish to provide. Below you will find a summary of questions and a selection of links through which you can respond. If you have any questions about the consultation, please get in touch with us at <u>flexible.contracts@enwl.co.uk</u>.

We will be hosting a **webinar on 14 September from 10:00am-12:00pm** to talk through the consultation and gather feedback, giving you the opportunity to provide responses during the event through online polling. If you would like to join us and provide your feedback via the webinar please <u>register here</u> and we will be in touch shortly.

You can also respond by:

- Completing our <u>online form</u>, or
- Emailing answers to: mailto:flexible.contracts@enwl.co.uk, or
- <u>Book a one-to-one surgery appointment</u> to discuss the consultation with our team.

All responses will be reviewed and a summary will be published <u>on our website</u> which will detail how we plan to incorporate the feedback into our future flexibility procurement plans.

4 SUMMARY OF QUESTIONS

- 1. Does our NDP provide you with confidence in developing flexible services within the ENWL network?
- 2. Is there any information missing from our website that you would find helpful?
- 3. Is there any other information you would like the map to provide?
- 4. Do you have all the information you need on Piclo and our website to easily take part in our tenders?
- 5. Are there any steps of the above process that require more guidance?
- 6. Is there anywhere else we could be signposting our requirements along with helpful information about Flexible Services?
- 7. Are there any other sources of data relating to flexible services that you would find helpful?
- 8. Are you satisfied with the work we are doing with the rest of the industry to standardise the process of providing flexibility services?
- 9. If not, what else would you like to see us collaborate on to standardise the flexibility market?
- 10. Are you happy to receive quarterly newsletters or would you prefer more frequent newsletter updates?
- 11. Do you prefer to attend webinars or in-person events?
- 12. If you prefer to attend in-person events, where would you like to see them being held?
- 13. Do you use social media to stay updated with industry news and upcoming events?
- 14. Did you know that we offer complimentary surgery sessions?
- 15. If so have you taken part in one, and do you have any feedback on these sessions? Do you find them useful?
- 16. What services are you most likely to tender for?
- 17. Are there any additional services you would like to see required in our tenders?
- 18. Do you believe that currently the 50kW minimum threshold is restrictive and do you think this should be lower, if so to what level?
- 19. Does our current tender timeline allow sufficient time to prepare and submit a bid?
- 20. What do you think of our PQQ window, is it too long or short?
- 21. Is there anything else we can do to improve the pre-qualification part of our procurement process?
- 22. Does our approach give you confidence that we are acting in an open and transparent manner? If not, what else would you like to see?
- 23. Is there any other information or guidance that we can provide to help you with determining a bid price?
- 24. Do you have a preference for either availability or utilisation payments, or a combination of both?
- 25. Would you prefer long or short-term flexibility contracts? Please explain your reasoning.
- 26. Do you have a preferred method of how we should communicate dispatch requirements: API / phone call / email/ RTU?
- 27. Is there anything missing from our strategy that you expected to see, or any final comments you would like to make?

5 USEFUL LINKS

Organisation	Website address
Electricity North West Flexible Services portal	https://www.enwl.co.uk/go-net-zero/flexible-services/
Register for our consultation webinar	https://enwl-flexibility-services-consultation- webinar.eventbrite.co.uk
Energy Networks Association website	https://www.energynetworks.org/
Flexibility in Great Britain Timeline	https://www.preceden.com/timelines/523803-flexibility- in-gb-timeline
Common Flexibility Agreement	https://www.enwl.co.uk/globalassets/go-net- zero/flexible-services/understanding- flexibility/library/standard-flexibility-services-agreement -v1.2pdf
Common Evaluation Methodology and Tool (CEM)	https://www.energynetworks.org/assets/ images/Resource%20library/ON20-WS1A- P1%20CEM%20Tool%20v1.0.xlsm.zip
Sign up to receive our flexibility newsletters and event invites	https://www.enwl.co.uk/about-us/contact-us/sign-up-to- a-distribution-list/
Request a one-to-one surgery appointment	https://www.enwl.co.uk/go-net-zero/flexible- services/engagement/request-a-surgery-appointment/
Register your asset	<u>https://www.enwl.co.uk/go-net-zero/flexible-</u> services/register-your-asset/
Electricity North West Distribution Future Electricity Scenarios Report (DFES)	https://www.enwl.co.uk/get-connected/network- information/dfes/
Electricity North West Network Development Plan (NDP)	Network development plan (enwl.co.uk)

5 GLOSSARY

Term	Definition
Active Network Management (ANM)	The use of distributed control systems to continually monitor network limits, along with systems that provide signals to DER to modify outputs in line with these limits.
Aggregators	Third party intermediaries specialising in coordinating or aggregating demand response from individual consumers to better meet industry parties' technical requirements for specific routes to market.
Baseline	The point from which any delivery of flexibility is measured.
Common Evaluation Methodology and Tool (CEM)	Standardised tool allowing DNOs to compare the cost of flexibility or other solutions e.g. energy efficiency against traditional network reinforcement.
The Department for Business, Energy and Industrial Strategy (BEIS)	A department of the UK government which brings together responsibilities for business, industrial strategy, science, innovation, energy and climate change.
Dynamic Purchasing System (DPS)	An online process for contracting flexible services on PicloFlex; DNOs advertise long term requirements and flexibility providers sign up to the DPS to demonstrate eligibility e.g. financial stability and technical ability, before proceeding to the competition and bidding stages.
Demand Side Response (DSR)	Demand side Response (DSR) refers to the ability of sources of demand (for example, an industrial process) to increase or decrease their net demand in response to signals (sometimes price-signal) to support system or network management.
Distributed Energy Resource (DER)	Small-scale power generation and storage such as solar, wind and electric vehicles that operate locally and are connected to a larger power grid at the distribution level.
Distribution network operator (DNO)	The owner and operator of a distribution network licensed by the Gas and Electricity Markets Authority.
Distribution System Operation (DSO)	DSO balances capacity on the distribution network to enable new connections and meet the requirements of existing customers using flexible distributed energy resources, network investment and commercial services ensuring security and quality of supply standards are delivered.
Energy Networks Association (ENA)	The ENA is the industry body funded by UK gas and electricity transmission and distribution licence holders.
ENA Open Networks Project	Brings together the nine electricity grid operators in the UK and Ireland to work together to standardise customer experiences and align processes to make connecting to the networks as easy as possible and bring record amounts of renewable DERs to the local electricity grid.

Extra High Voltage (EHV)	Voltages greater than 22kV in Electricity North West's distribution network.
Flexibility Market	The arena of commercial dealings between buyers and sellers of flexible services.
Flexibility Provider	The owner and/or operator of assets that have the capability to provide Flexibility Services and wishes to make available each Site for the provision of such Flexibility Services, for example through aggregated or individual assets. The Company will pay the Provider for these Flexibility Services in accordance with this Agreement.
Flexible Power Portal	Online platform facilitating the signposting, procurement, dispatch, settlement, baselining and performance metrics of flexible services.
Flexible Resource	Resources like generators, consumers, and Electricity Storage connected to the distribution network.
Flexible Services	DERs connected to our networks can increase exports (generate more) or reduce imports (consume less) when instructed by the network and receive payment in return.
High Voltage (HV)	The voltages of 6.6kV or 11kV in Electricity North West's distribution network.
Low Voltage (LV)	The voltages of 400V / 230V in Electricity North West's distribution network.
National Grid Electricity System Operator (ESO)	National Grid moves high voltage electricity from where it's generated, such as a wind farm, through the energy system. Across Great Britain. They convert it into a more manageable voltage that's suited for domestic use.
Network Management System (NMS)	A system that will allow us to manage the energy in the North West in real time, operating as a smart network allowing supply to meet demand. It will facilitate our ability to provide future generations with a low carbon, sustainable and reliable electricity network throughout the region.
Neutral Market Facilitator (NMF)	A transparent, neutral market for flexible services, providing attractive opportunities for customers of all scales to respond to requests for flexibility, allowing existing and new renewables to be fully utilised.
Piclo Flex Platform	The independent marketplace for trading energy flexibility online. View active competitions, upload your assets and submit bids.
Transmission System Operator (TSO)	TSOs own, operate and maintain the transmission networks. There are three licensed TSOs in Britain, and each is responsible for a regional transmission services area.