



SP Energy Networks
320 St Vincent Street
Glasgow
G2 5AD

October 2019

Dear Sirs,

Invitation to Tender for the Provision of Flexibility Services

You are hereby invited by SP Power Systems Limited, a company registered in Scotland with number SC215841 and having its registered office at Ochil House, 10 Technology Avenue, Hamilton Int'L Technology Park, Blantyre, Scotland, G72 0HT (more commonly known as SP Energy Networks) (the "Company") to submit a tender for the Provision of Flexibility Services.

This Invitation to Tender ("ITT") pack comprises the following documents:-

- This Invitation to Tender letter
- Part 1 – Invitation to Tender document
- Part 2 – Policies
- Part 3 – Conditions of Contract (Flexibility Services Agreement)
- Part 4 – Supplier Questionnaire

Please check that all of these documents are present and contact the Company using the details given in this letter to obtain any missing sections. To avoid delay in preparing your tender, you are advised to do this as soon as possible.

Completion of Tender Documents

Please note that tenders must be submitted in accordance with the following:-

1. The Company's Health, Safety, Welfare and Environmental Requirements for Contractors and their Employees;
2. The Company's policy on Alcohol and Drugs;
3. The Company's Environmental Policy;
4. The Company's Asset Management Policy;
5. The Company's Anti-Bribery and Corruption Policy; and
6. The Company's Invitation to Tender Documentation.

Tenders must be submitted in the English language and priced in pounds sterling.

Tenderers should ensure that they have fully read and understood all Parts included in this ITT. All Tenderers must consider the requirements of this ITT and ensure that their Tenders comply with the same. Tenderers must provide any information required. Failure to do so may result in a Tender being deselected as it is not complete. In particular, Tenderers must provide any information required where appropriate in the format prescribed in this ITT.

Tenderers are responsible for ensuring that they have completed their Tender fully and accurately and that prices quoted are arithmetically correct for the Services stated. Once the submission deadline set out below has expired, there will be no opportunity for Tenderers to access their Tender or make any amendments thereto. In the event that any Tenderer considers that its Tender contains any manifest error, Tenderers should advise the Company in writing as quickly as possible to the address set out at the top of this letter or via e-mail to Flexibility@spenergynetworks.co.uk.

It shall be at the discretion of the Company whether or not to accept any corrections, however please note that no corrections will be accepted by the Company once evaluation of Tenders has been completed.

The Company will not be responsible for any expenses incurred in the preparation of any Tender, or in attending any pre and/or post tender meetings, site visits or tender clarifications. No reimbursement shall be made by the Company whether or not an award of a Contract is made.

Submission of a Tender will imply acceptance of the provisions contained in this ITT without qualification.

Canvassing/Collusion

When preparing your tender:-

Except as specifically authorised by the Company, Tenderers shall not approach staff of the Company or staff of the Company's advisers with a view to providing information in respect of any part of their submission or proposals or attempting to support or enhance their prospect of being selected as a preferred supplier.

You should certify that your tender is a bona fide tender and that it has not been adjusted by agreement or by arrangement with any other party. Furthermore, your tender should certify that you did not, in connection with this procurement:

- enter into any agreement or arrangement with any person (other than, where relevant, a member of its own consortium) with the aim of fixing or adjusting the amount of any Tender or the conditions on which any Tender is made; or
- enter into any agreement or arrangement with any person with the aim of preventing Tenders being made; or
- cause or induce any person to enter such agreement as is mentioned in above; or
- canvass any of the persons referred to above; or
- offer or agree to pay or to give or pay or give any sum of money, inducement or valuable consideration directly or indirectly to any person for doing or having done or causing or having caused to be done in relation to any other Tender or proposed Tender any act or omission; or
- Communicate to any person other than the Company the amount or approximate amount of its proposed Tender (except where such disclosure is made in confidence in order to obtain quotations necessary for the preparation of the Tender or professional advice required for the preparation of a Tender).

Any breach of the above matters may lead to the exclusion of one or all Tenderers involved at the discretion of the Company.

Furthermore, any breach of these foregoing provisions which are proven to be a breach of the UK and EU competition legislation will result in termination of any contract that is awarded under the terms of the Contractor Default provisions contained in any such contract. For the avoidance of doubt, this provision shall not restrict, prevent or otherwise affect the Company from exercising its rights of termination under any contract.

Canvassing

A Tenderer shall not, in connection with this procurement:

- offer any inducement, fee or reward to any employee or officer of the Company or any person acting as an advisor for the Company in connection with this procurement; or
- do anything which would constitute a breach of the Prevention of Corruption Acts 1889 to 1916; or
- canvass any of the persons referred to above; or
- contact any employee or officer of the Company about any aspect of the procurement, except as

authorised by this ITT, including (but without limitation) for the purposes of soliciting information in connection with the procurement.

The Company may, at its discretion, disqualify any Tenderer that breaches this condition (without prejudice to any other civil remedies available to the Company and without prejudice to any criminal liability, which such conduct by the Tenderer concerned may attract).

Confidentiality

Tenderers shall not disclose their Tender in whole or in part to any third party prior to either the award of the Contract by the Company or on receipt of notification that the Tender has not been accepted.

Sufficiency & Accuracy of Tender

Tenderers will be deemed to have examined all the documents and by their own independent observations and enquiries will be held to have fully informed themselves as to the nature and extent of the requirements of the ITT.

Tenderers are cautioned to check the accuracy of their Tender prior to submission. A tender found containing any clerical errors or omissions may, at the sole discretion of the Company, be referred back to the Tenderer for correction. Any subsequent adjustment(s) must be confirmed in writing. The Company reserves the right to disqualify incomplete Tenders.

Process for Questions / Clarification

All technical and commercial queries relating to this enquiry should be submitted in the first instance via email to Flexibility@spenergynetworks.co.uk

Any requests for clarification or assistance must be made a minimum of five (5) working days before the Tender Closing Date set out below. No queries or questions will be answered by the Company within the three (3) day period before the Tender Closing Date.

All Tenderers will be advised in writing of the Company's response to all queries received.

Tender Return

Tenders must be submitted by no later than **12 noon on Wednesday 15th January 2020** ("Tender Closing Date"). The Company may at its absolute discretion extend the Tender Closing Date to Tenderers. No submission of Tenders after that time will be permitted.

The Tenderer shall submit the tender through the Picloflex platform.

Modification by the Company

Any advice or any modification to the ITT shall be issued as soon as possible before the date fixed for return of tenders and shall be issued as an addendum. This addendum shall be deemed to constitute part of the ITT.

Incurred Tender & Other Expenses

The Company shall not be responsible for, or pay any costs and expenses which may be incurred by the Tenderer in connection with the preparation and submission of their Tender, including the attendance at any Pre or Post Tender meetings, site visits, negotiations etc.

Currency of Tender

The currency in which all prices and rates shall be tendered, and which payments under the Contract will be paid, shall be Pounds Sterling. All prices and rates quoted should be exclusive of VAT.

Right to Reject, Vary or Cancel Process

The issue of this ITT in no way commits the Company to award any contract pursuant to the tendering process. The Company reserves the right not to accept part or all of any Tender received. Nothing in this ITT shall oblige the Company to award a contract and the Company shall be able to withdraw from the tendering process at any stage.

The Company shall not be liable for any costs incurred by, or losses suffered by, any Tenderer under any circumstances.

The subject matter of this ITT shall only have any contractual effect when it is covered and contained in the express terms of an executed contract. Any such contract will be governed by Scots law.

The Company reserves the right, subject to relevant legislation, and at any time, to reject any Tender and/or to terminate discussions with any Tenderer.

The Company reserves the right (without liability) to cancel the selection and evaluation process at any stage, to amend the terms and conditions of the tender process and to require a Tenderer to clarify its submission in writing and/or provide additional information.

Tender Validity

All Tenders must be held open for acceptance for a period of 90 days, from the Tender Closing Date set out above.

Timetable

The following timetable shows the timescales for completion of the various stages of this procurement.

<u>Activity</u>	<u>Indicative Timescales</u>
Prequalification Period	4 th October 2019 to 6 th December 2019
Bids Open	11 th December 2019
Tender Closing Date	15 th January 2020
Contract Award	14 th February 2020

In order to allow appropriate time for analysis, selection, implementation, and communication of the selected Tenderers must meet all of the specified deadlines. It shall be open to the Company to amend this timetable at any time.

Award Notification

The successful and unsuccessful Tenderers will be notified by the Company of the outcome of their Tender submission as soon as possible upon completion of evaluation of Tenders.

Disclaimer

The information in this ITT is provided for information only. No representation, warranty or undertaking, express or implied, is or will be made and the Company shall have no responsibility or liability as to or in relation to the accuracy or completeness of this ITT or any other written or oral information made available to any party (Tenderers) responding to this ITT or their advisers. No information contained in this ITT will form the basis of any warranty or representation made by or on behalf of the Company to any Tenderer.

Information in this ITT, together with any other information to be provided at any time during the procurement process, is provided in the interests of assisting the Tenderers to develop relevant Tenders. It is intended only as an explanation of the Company's requirements and is not intended to form the basis of the Tenderers' decisions on whether to enter into any contractual relationship with the Company.

Accordingly, information provided does not purport to be all-inclusive or to contain all the information that a prospective Tenderer may require. The Tenderers and their advisors must take their own steps to verify information which they use and must make an independent assessment of the opportunity described in this ITT after making such investigation and taking such professional advice as they deem necessary.

None of the Company's directors, officers, employees, agents or advisors or representatives who are involved with the procurement process shall be considered to make or be deemed to have made any representation or warranty as to the adequacy, accuracy, reasonableness or completeness of the information provided. The Company does not exclude any liability that it may have for fraudulent misrepresentation or any other liability not capable of being excluded by law.

The Company shall not be liable for any loss or damage arising as a result of reliance on the information provided or other information subsequently provided, nor for any expenses incurred by the Tenderers at any time. No third party has been or will be authorised to accept or agree to accept on behalf of the Company any such liability.

No response made by or on behalf of the Company to any response to this ITT shall constitute an agreement or contract between the Company and any Tenderer unless expressly stated to that effect by the Company.

All bids are to be submitted via the Picloflex platform. Instructions on how to submit bids are available on the Picloflex website (www.picloflex.co.uk).

I look forward to hearing from you.

Yours faithfully,

Graham Campbell

Head of Distribution System Operation and Whole Systems
On behalf of SP Energy Networks

Email: Flexibility@spenergynetworks.co.uk