



# DOCUMENT VERSION CONTROL

SSEN Version	Date	Changes
0	December 2023	Refer to corrections log <a href="#">Flexibility Services Document Library - SSEN</a>
1	January 2024	Refer to corrections log <a href="#">Flexibility Services Document Library - SSEN</a>
2	February 2024	Refer to corrections log <a href="#">Flexibility Services Document Library - SSEN</a>
3	May 2024	Introduction of new flexibility product to the Service Terms: Scheduled Availability + Operational Utilisation – Day Ahead
4	July 2024	Update Annex 2 with Auction/Tender guidelines for Electron Connect market platform



# Service Terms – SSEN Active Power Services (Flexible Power)

## 1. Introduction

The transition to net zero is expected to increase overall electricity consumption as heating and transportation moves to electric sources.

With the generation of electricity from renewables close to the sources of consumption, the Company is experiencing increasing peak demands and a change in power flows from the traditional one-way power flow to bi-directional flows.

At the same time, the take up of new technologies and solutions such as electric vehicles, electric heating, and energy storage is increasing. These changes are leading to significant increases in peak demand that create constraints on some parts of the Company's electricity distribution network.

With all these changes, the Company (like the other Distribution Network Operators), is preparing for significant growth in the use of Flexibility Services to help manage the network in a cost-effective way. The Company is procuring flexibility to ensure the power flow on its network remains within its capacity. The ability to shift power generated or consumed to alter the power flow on particular lines means the Company gets the best use out of its network. For example, by reducing the peak power consumption and spreading this over different parts of the day, overall, the network is being used more and the Company is reducing the need for carrying out capital intensive reinforcement projects.

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The Company procures the following services:

- Scheduled Utilisation
- Variable Availability + Operational Utilisation - Week Ahead (VAOU\_WA)
- Variable Availability + Operational Utilisation – Day Ahead (VAOU\_DA)
- Operational Utilisation
- Scheduled Availability + Operational Utilisation - Day Ahead (SAOU\_DA)
- Emergency Flex

The definitions of these services are aligned with the Open Networks standards<sup>1</sup>. An overview of these flexibility services is detailed in Table 1.

From Summer 2024, SSEN Distribution will hold short-term call off tenders to procure the SAOU\_DA service. The SAOU\_DA product is expected to have availability accepted at trade.

The Company may invite the Provider to bid to deliver such Services from its DER or CER in accordance with the terms of the Overarching Agreement, including but not limited to these Service Terms.

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<sup>1</sup> [on-flexibility-products-alignment-\(feb-2024\).pdf \(energynetworks.org\)](#)



These Service Terms describe how the Company will manage its requirements for the following “Active Power Flexibility Services” and how the Provider shall respond. These Service Terms describe the automatic dispatch of the active power flexibility services.

## 1.1 Commencement and Expiry Dates

- 1.1.1 This Overarching Agreement shall commence on the Commencement Date and subject to earlier termination, shall continue until the Expiry Date.
- 1.1.2 This Overarching Agreement shall terminate automatically on the Expiry Date without notice.
- 1.1.3 Contract dates:

Parameter	Definition	Details
Commencement Date	Date this Agreement commences.	17th of June 2024
Expiry Date	Date this Agreement expires.	16 <sup>th</sup> of June 2032

## 1.2 Senior Representatives

- 1.2.1 The Company; [Flexible Solutions Team, FlexibleServices@sse.com]
- 1.2.2 The Provider; [INSERT NAME]



Table 1 - Flexibility Services

Parameter	Scheduled Utilisation	Variable Availability+ Operational Utilisation – Week Ahead (VAOU_WA)	Variable Availability+ Operational Utilisation – Day Ahead (VAOU_DA)	Operational Utilisation	<u>Scheduled Availability + Operational Utilisation – Day Ahead (SAOU_DA)</u>	Emergency Flex
Description	The Company and the Provider agree, in advance, for the Provider to deliver a change in export or import (or apply a limit), at specific times.	The Company and Provider agree, at month ahead, the Provider's availability to make a change in export or import. At week ahead utilisation instructions are issued.	The Company and Provider agree, at week ahead, the Provider's availability to make a change in export or import. At day ahead utilisation instructions are issued.	The Company instructs the Provider, in real-time, to either remain off supply, reconnect with lower demand, or to reconnect generation to support faster restoration.	The Company and Provider agree at the point of trade, the Provider's availability to deliver an agreed change. At day ahead utilisation instructions are issued.	At short notice, the Company instructs all Providers (who have opted in), in the region, to deliver the Service at the same time.
Availability Agreement Period	Not Applicable	1 month (5 days minimum)	1 week ahead	Not Applicable	At Trade	Not Applicable
Availability Request Response Period	Not Applicable	1 working day	1 working day	Not Applicable	Not Applicable	Not Applicable



Utilisation Instruction Notification Period	At Trade	1 week	Day ahead	2 minutes	Day Ahead	15 minutes
Utilisation Instruction Acknowledgment Period	Except where agreed otherwise between the Company and the Provider, acknowledgment of Utilisation Instructions/schedules will be confirmed with the Provider.					
Tariffs	Utilisation	Availability & Utilisation	Availability & Utilisation	Utilisation	Availability & Utilisation	Utilisation (Fixed Rate)



## 2. SAOU\_DA: Overview of Procurement and Dispatch processes

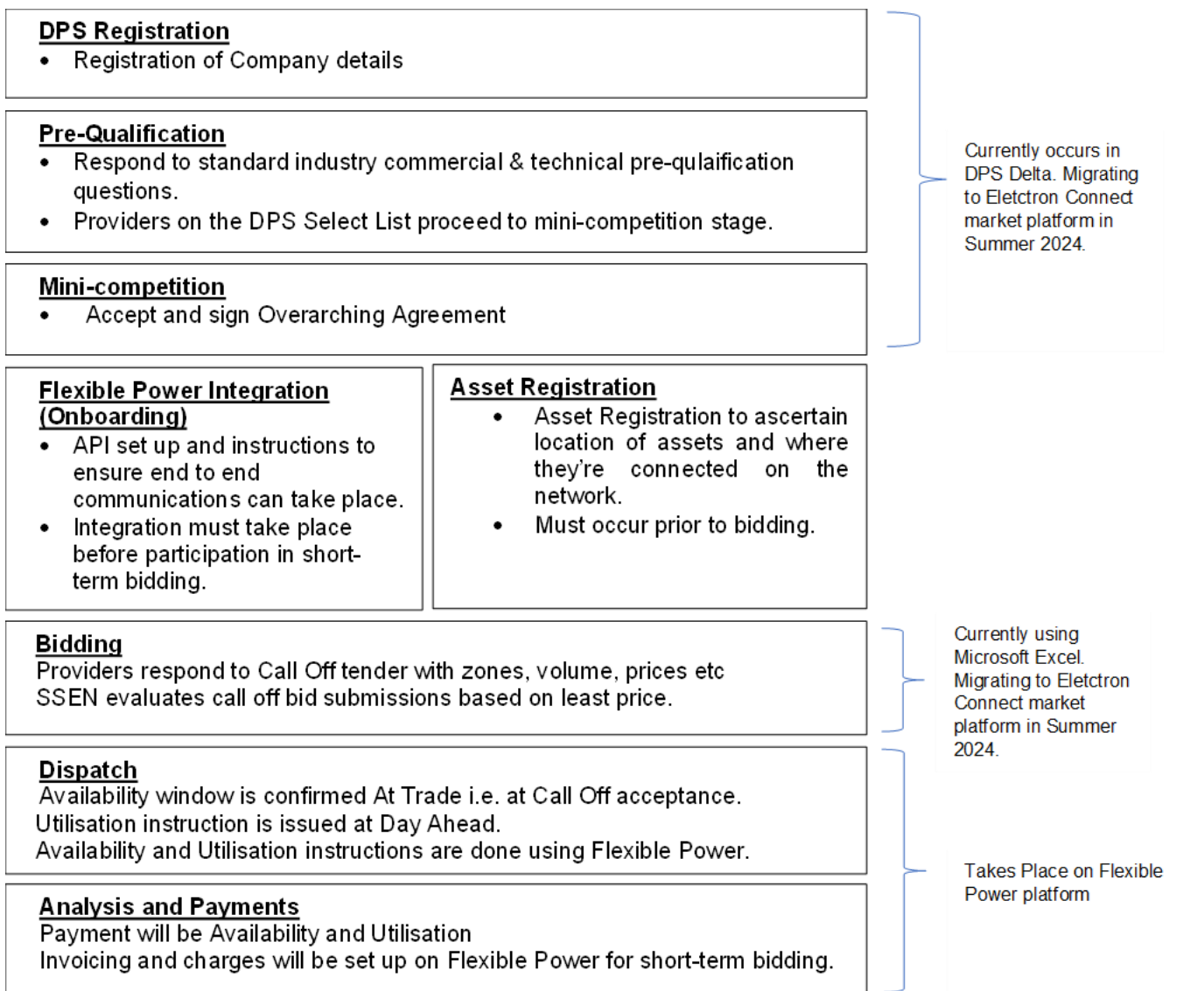
2.1 For bidding rounds using SAOU\_DA, the Company will publish CMZs with network needs on Electron Connect.

2.2 Where a bidding round starts less than three months before the first service window (i.e. short-term bidding) providers must have completed the following activities before the bidding window starts:

- registered their assets providing information on DER parameters, location and capability; and
- integrate with Flexible Power to receive Utilisation Instructions.

2.3 The high-level process for SAOU\_DA is described in Figure 1:

Figure 1: Overview of procurement and dispatch processes for SAOU\_DA





### 3. Changes to Service Terms

- 3.1 All UK DNOs work collectively through the ENAs Open Networks Project to develop and maintain a standardised contract for the procurement of Flexibility Services. Each DNO has expanded on this where necessary from the standardised version. Any suggestions/feedback regarding the General Terms and Associated Documents can be directed to the ENA who will ensure it this is incorporated into future contract development; [opennetworks@energynetworks.org](mailto:opennetworks@energynetworks.org)

### 4. Service Terms Glossary

- 4.1 These additional terms placed within the Service Terms are applicable to all Associated Documents and shall supersede terms within the General Terms and Conditions and Glossary. The following expressions shall have the meaning set out below:

<b>“Accepted Availability Window”</b>	where services have been contracted to include variable availability, the accepted availability window is the period required for service provision to be made available following the agreement between the Company and Provider during the Availability Refinement Period. If a service does not have an Availability Refinement Period, then this Accepted Availability Window is defined within the contract;
<b>“Accepted Service Window”</b>	a window of time when the Provider has committed to the Company to be available to provide VAOU_WA or VAOU_DA services.
<b>“Active Power”</b>	the product of voltage and the in-phase component of alternating current measured in units of Watts and standard multiples thereof i.e. 1000 Watts = 1kW, 1000 kW = 1MW, 1000 MW = 1GW, 1000 GW = 1TW;
<b>“Agreed Availability Capacity”</b>	the volume of capacity required to be made available for service provision following the agreement between the Company and Provider during the availability refinement period, where applicable;
<b>“API”</b>	Application Programming Interface;
<b>“Asset Point Metering”</b>	the metering measured directly from the DER and is downstream of the Boundary Point Metering;
<b>“At Trade”</b>	means that for the flexibility service being procured, Availability is agreed at time of call off bid acceptance;
<b>“Availability Agreement Period”</b>	the time period before a service is required in which the Company and Provider may agree the Provider’s flexibility service window and capacity;
<b>“Availability Payment”</b>	has the explanation and definition given to it in: <a href="#">SSEN Flexible Power - Payment Calculations</a>



<b>“Availability Performance”</b>	is calculated monthly and availability payments are recovered should the delivered capacity be lower than the agreed delivery capacity.
<b>“Availability Refinement Period”</b>	this is a period defined within product parameters where a refinement of the availability window and capacity is agreed;
<b>“Availability Request Response Period”</b>	the time allowed for the Provider to respond to an Availability Request from the Company;
<b>"Availability Settlement Period"</b>	means each full thirty (30) minute period within a Accepted Availability Window;
<b>"Availability Window"</b>	means a window of time in relation to a Dispatch Group for which the Company requires the Provider to be ready and able to provide the Service Response, if instructed;
<b>“Baseline”</b>	the pre-agreed power level that changes are measured against;
<b>“Boundary Point Metering”</b>	the metering measured at the point of supply from the DNO network;
<b>“Call Off Bid”</b>	offer issued by the Provider in response to a tender by the Company. The Provider response must contain requested capacity and pricing information;
<b>“Committed Capacity”</b>	means the target net MW of Service Response for a Dispatch Group as set out in the Provider's declarations or deemed declarations up to the Maximum Capacity;
<b>“Committed Payment”</b>	payment for each VAOU_WA service (where applicable), calculated from availability payments for the committed purchase of availability;
<b>"Control Room"</b>	means the Company control facility from where the distribution network is monitored and managed;
<b>“Day Ahead”</b>	procuring scheduled utilisation for the following day
<b>“Delivery Target Threshold (DTT)”</b>	has the explanation and definition given to it in: <a href="#">SSEN Flexible Power - Payment Calculations</a>
<b>“Dispatch Group”</b>	one or more DER which are regarded as a single entity for the purpose of dispatching Services;
<b>“Electron Connect”</b>	means Flexibility Market Platform for running market activities including: Prequalification, mini-competition and bidding;
<b>“Emergency Flex”</b>	means that at short notice, the Company instructs all Providers (who have opted in), in the region, to deliver the Service at the same time. Further details about the product and its parameters are defined in Table 1;





<b>“Event”</b>	means an instance when Utilisation was instructed and the Service Response is measured accordingly;
<b>“Flexibility Dispatch Desk”</b>	means the Company control facility from where Flexibility Services are managed;
<b>“Flexibility Market Platform”</b>	means the system used for flexibility market activities such as prequalification, mini-competition and bidding.
<b>“Flexible Power”</b>	means (The Portal & API), a multi- DNO platform designed to standardise and automate the issuing of availability and dispatch instructions.
<b>“Grace Factor”</b>	has the explanation and definition given to it in: <a href="#">SSEN Flexible Power - Payment Calculations</a>
<b>“Minimum Run Time”</b>	refers to technical “Minimum Run Time” which is the minimum run time in the event of an emergency stop. It is not to be confused with commercial “Minimum Run Time” which is the duration of the service;
<b>"Maximum Capacity"</b>	means the maximum MW of Service Response contracted by the Provider per Zone, DER/Aggregated DER and year as set out in Call-Off bid details.xlsx and outlined in Annex 4 section 7;
<b>"Maximum Utilisation Period"</b>	“means the longest period of time that a Service Response can be maintained, in respect of a single Event for a Dispatch Group;
<b>"Minimum Utilisation Period"</b>	means the shortest period of time that a Service Response will be provided in respect of a single Event for a Dispatch Group;
<b>“Monthly Utilisation Performance Factor”</b>	the availability payment is impacted by how the provider performs if there are utilisation events in the month. The Monthly Utilisation Performance Factor is this result of this calculation;
<b>"Operational Day"</b>	means the period from 0500 hours on one day to 0500 hours on the following day;
<b>"Operational Utilisation"</b>	means this product allows for the use case where the amount of flexibility delivered is agreed nearer to real time. Further details about the product and its parameters are defined in Table 1;
<b>"Operational Week"</b>	means a period of seven Operational Days commencing at 05.00 hours on a Monday and terminating at 05.00 hours on the next following Monday;
<b>“Overarching Agreement”</b>	under the overarching agreement, capacity and pricing will be captured at the tender for services stage otherwise known as the “call off tender”. All providers who have signed an overarching agreement can bid under the call off. The Overarching Agreement allows more flexibility for awarding both longer term and closer to real time contracts;



<b>“Payable Over-delivery”</b>	has the explanation and definition given to it in: <a href="#">SSEN Flexible Power - Payment Calculations</a>
<b>“Penalisation Multiplier”</b>	has the explanation and definition given to it in: <a href="#">SSEN Flexible Power - Payment Calculations</a>
<b>“Performance Report”</b>	a report in relation to the delivery of Flexibility Services completed by the Provider at the end of each billing month;
<b>"Portal"</b>	means the Flexible Power portal accessible at <a href="https://www.flexiblepowerportal.co.uk/">https://www.flexiblepowerportal.co.uk/</a> ;
<b>"Ramp Up Time"</b>	means the period of time (in minutes) between the issue of the API Start Instruction and the Event start time, during which the Provider should reach the instructed level of Service Response;
<b>“Reconciliation Grace Factor”</b>	has the explanation and definition given to it in: <a href="#">SSEN Flexible Power - Payment Calculations</a>
<b>"Recovery Period"</b>	means the period which commences upon the earlier of the Stop Time, the Maximum Utilisation Period or relevant Availability Window (as relevant), for which the Dispatch Group is considered to be unavailable;
<b>“SAOU_DA”</b>	means “Scheduled Availability + Operational Utilisation” with Utilisation at Day Ahead. Further details about the product and its parameters are defined in Table 1;
<b>“Scheduled Utilisation”</b>	means the time that flexibility is delivered has been pre-agreed in advance with the Provider. Further details about the product and its parameters are defined in Table 1;
<b>"Service Response"</b>	means either; an increase of net export of active power to or reduction of net import of active power from the Company's Network, or; a decrease of net export of active power to or increase of net import of active power from the Company's Network;
<b>“Service Response Direction”</b>	means either; an increase of net export of active power to or reduction of net import of active power from the Company's Network (also known as “GTU/DTD”), or a decrease of net export of active power to or increase of net import of active power from the Company's Network (Also known as “GTD/DTU”), as stated in Call-Off bid details.xlsx and outlined in Annex 4 section 7;
<b>“Short-term Bidding”</b>	short-term tenders that are running at three month-ahead of the first services window or less.;
<b>“Start Instruction”</b>	means an instruction from the Company to the Provider to start the Service Response;
<b>“Start Time”</b>	the date and time (to the nearest minute) as notified in accordance with the Service Terms at which the power change shall be delivered;



<b>“Stop Time”</b>	the date and time (to the nearest minute) as notified in accordance the Service Terms at which the power change shall cease to be delivered;
<b>“Stop Instruction”</b>	an instruction from the Company to the Provider to cease delivery of the Flexibility Services, as described in the Service Terms;
<b>"Utilisation"</b>	means in respect of a Dispatch Group, the Service Response following a Utilisation Instruction from the Company in accordance with this Agreement which is provided continuously until the Event end time and "Utilised" shall be construed accordingly;
<b>“Utilisation Instruction Acknowledgement Period”</b>	the time allowed for the Provider to acknowledge the Utilisation Instruction;
<b>“Utilisation Instruction Notification Period”</b>	the time period before a Flexibility Service is required by the Company, in which a DNO may issue a Utilisation Instruction to the Provider;
<b>"Utilisation Payment"</b>	has the explanation and definition given to it in: <a href="#">SSEN Flexible Power - Payment Calculations</a>
<b>“Utilisation Schedule”</b>	individual or a set of Utilisation Instructions that the Company may issue to the Provider;
<b>“VAOU_ WA”</b>	means Variable Availability + Operational Utilisation with Utilisation at Week Ahead The product and its parameters are defined in Table 1;
<b>“VAOU_ DA”</b>	means Variable Availability + Operational Utilisation with Utilisation at Day Ahead. The product and its parameters are defined in Table 1;
<b>"Weekly Limit"</b>	means the maximum time that Service Response can be maintained, in respect of all Events for a Dispatch Group in an Operational Week;
<b>“Zone”</b>	as per CMZ in the General Terms;

## 5. Service Details

### 5.1 Specific Service Parameters

5.5.1 Service parameter values shall be set out by the Provider in the DER details which it submitted for any Call Off Bid for each Service a Provider wishes to participate in. The Company will rely on the Parameters provided by the Provider, which must be accurate and provided in accordance with the terms of this Overarching Agreement. These parameters shall include:

- Service Type
- Zones.
- Maximum Capacity per Zone.



- Pricing.
- Direction of Response.
- Sites and DER details.

## 5.2 Generic Service Parameters

5.2.1 The Flexibility Services will be procured by the Company under the Overarching Agreement as described in Annex 2. See *Table 1* for a description of the Services.

### 5.3 Service Windows (VAOU\_WA, VAOU\_DA)

- 5.3.1 The required flexibility availability and capacity for each Zone shall be communicated by the Company to Providers at least one month ahead for VAOU\_WA and at least one week ahead for VAOU\_DA. The Company will establish the availability of Providers, using the Availability Request Form (see section 8 on Communications).
- 5.3.2 The Provider may decline an Availability Request or propose reduced capacity. After mutually agreeable capacity and Service Windows are agreed, the Company will re-issue the Availability Request Form for formal acceptance.
- 5.3.3 By accepting an Availability Request, the Provider is offering to and committing to be ready to provide the agreed power change throughout the Service Window, if instructed to do so by the Company.

### 5.4 Service Windows (SAOU\_DA)

- 5.4.1 The “Call Off tender” or the “Tender for Services” is announced by the Company to Providers. The Company will make available information about the Services required, the period over which the Services will be required, the capacity of services required in each Zone over the Call off Contract Period and the expected Availability of the SAOU\_DA service in each Zone.
- 5.4.2 The Providers submit their Call Off bid on Electron Connect in response to the Call Off tender. In responding to the Call Off bid, the Provider commits to being available during set contracted service windows and the Company is committed to pay the Provider for being available.
- 5.4.3 Availability and capacity are binding at Call Off bid acceptance.
- 5.4.4 Availability is fixed, hence Providers cannot propose reduced availability and capacity for SAOU\_DA. Availability refinement is not allowed for this service because availability is known at the point of trade
- 5.4.5 Providers must have to opted-in to receive daily schedule email from flexible power ahead of bidding. The Utilisation instruction will then be issued at day ahead. .

## 5.5 Service Requirements

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1. *The Provider’s DER shall be connected and capable of providing the service response in the area of the distribution network subject to the limitation (represented by the Zones).*
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2. *Exporting generators and storage assets, greater than 16 amps per phase shall have a long-term parallel connection compliant with the requirements of EREC G59 or G99. Those less than 16 amps per phase shall be compliant with the requirements of EREC G83 or G98.*

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  3. *The DER shall be able to deliver on instruction a reduction or increase in import, or an increase or reduction in export, from or to the Network.*

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  4. *The capacity is the amount of active power change the DER can deliver relative to a defined Baseline level. It shall be from one or more facilities making up the DER, can be delivered reliably and in full, is fixed for the duration of the service window, and must be within the conditions of each DERs Connection Agreement.*

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  5. *Each DER shall have a single set of capability parameters and shall have a single point of communication and control.*

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  6. *Each DER shall have minute by minute or 30-minute metering with sufficient accuracy to enable the Company to monitor the provision of Flexibility Services. The data shall be made available to the Company at the end of every service month or upon request via spreadsheet. The metering point shall be at the boundary between the Site on which the DER is located and the Network, or on the terminals of the facility if approved by the Company. The Provider should be able to provide technical details of the meter and a single line diagram of the DER on request.*  
*Where the DER comprises numerous assets, a single source of metering data shall aggregate readings for the assets in the zone. The meter data aggregation may be at Zone level or other sub-area as agreed with the Provider.*

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  7. *The DER can run for other purposes during the Service Window, subject to it not increasing network loading on the network beyond any pre-agreed Baseline. It is the responsibility of the Provider to ensure that they can deliver the contracted Flexibility Services on instruction.*

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  8. *The Provider's system/process shall deliver the specified level of power for the duration stipulated in accordance with the Utilisation Instruction.*

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  9. *In agreement with the Provider, the Company may perform pre-notified testing to ensure that the Provider can deliver the contracted service*

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  10. *The Provider's log files must be retained for a minimum period of 12 months.*

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  11. *The Provider shall log and retain DER status and other data as required to demonstrate service delivery, including:*
    - *Records of instructions received and other communications with SSEN.*
    - *Performance reporting data.*

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## **5.6 Service Specific Acknowledgements**

5.6.1 The Provider hereby acknowledges that:

- a) the provision of services pursuant to this Agreement and the participation in Flexibility Services programme is voluntary, except where the Provider has committed their availability to provide services and;



- b) The Company may instruct the Provider to provide or request the Provider to tender for the Flexibility Services in accordance with this Agreement, as and when required by the Company. Save as specifically set out in this Agreement, the Company does not guarantee by entering into this Agreement that it will require any Flexibility Services, nor does it commit to purchasing any particular level of Flexibility Services. The Company may not issue tenders for Flexibility Services, nor instructions for utilisation. The volume of Flexibility Services purchased under this Agreement may exceed or fall below prior estimations or anticipated usage, in which event the Company shall not be liable for any resultant cost, expense, loss or damage incurred or suffered by the Provider or any third party. The Provider shall not have an exclusive position in respect of the provision of Flexibility Services and the Company is free to have others provide the Flexibility Services, or to provide itself the Flexibility Services or other similar services in relation to management of constraints on the electricity network.
- c) Nothing in this Agreement shall prevent any Party from applying for injunctive/interdict or other provisional, interim, emergency or equitable relief as is required to avoid irreparable damage to person, property, business or reputation.
- d) Contract Award does not guarantee that any Flexibility Services will be required by the Company or commit the Company to requiring any, or any particular level of such Flexibility Services.

### 5.7 Variation to Service Windows

- 5.7.1 The Company will not vary an Accepted Service Window but may in some circumstances request additional Availability, within the timescales stated in the Generic Service Parameters.
- 5.7.2 Emergency Flex: This is an opt-in Service which does not require a Tender for Services. If the Provider wishes to opt into Emergency Flex it should do so by the deadline stipulated for signing the overarching agreement, by answering the questions in the contract acceptance Questionnaire. When the Company requires the Service, the Provider may receive a Utilisation Instruction to provide Emergency Flex Services. There is no obligation to provide Emergency flex as a result of this Utilisation Instruction. Payment for Emergency Flex will be a fixed rate Utilisation Payment per household, so Providers will not be required to bid in with a price for this Service. Providers will be required to inform the Company about the capacity that they are able to commit to provide a Service before Service delivery for payment.

## 6. Invoicing & Charges

### 6.1 All invoices shall be submitted in accordance with the below.

- 6.1.1 The billing cycle is based on a calendar month and therefore the Company operates a total of 12 billing cycles each calendar year.
- 6.1.2 After each event, a Performance Report is created and made available to the Provider via the portal which allows the Provider to review their performance. At the end of the month, all event data is compiled and performance-based pricing applied to calculate the payment due to the Provider for the month.
- 6.1.3 An interim statement will be produced automatically on the 1st day following the end of each month. Once the statement has been reviewed by the Provider, they shall confirm within fourteen (14) days if the calculations are disputed and provide full details of the same to the Company. If the Provider disputes any calculations, then the statement is placed on hold until such dispute has been resolved. The parties will endeavour to resolve any dispute before the cut off period as set out in figure 1. Following resolution or determination of any dispute, the earnings statement shall be updated accordingly.



- 6.1.4 If no query is raised on the earnings statement within the fourteen (14) day window the statement is assumed to be correct. On the 15<sup>th</sup> the Portal will automatically generate a final Statement which can be downloaded for financial records or invoice preparation as applicable.
- 6.1.5 For Committed Payments (only where applicable), the performance report should be accompanied by the following details:
- (a) The period(s) during which the Flexibility Services were made available to the Company and, if applicable, where utilised;
  - (b) Availability charges (if any), reflecting any reduction for periods of where the service was unavailable or had reduced capacity;
  - (c) the relevant Committed Payment Amount (if any); and
  - (d) details of payments received so far to demonstrate the Committed Payment Amount has not been reached (if applicable).
- 6.1.6 If the Provider has agreed to Self-Billing, the statement will be used by the Company to generate a Self-Billing invoice.

## 6.2 Self-billing *(Delete if invoicing)*

- 6.2.1 If the Provider has agreed to self-billing, the Company agrees:
- 6.2.2 To issue self-billed invoices for all supplies made to them by the Provider for the duration of this contract.
- 6.2.3 To complete self-billed invoices showing the Provider's name, address and VAT registration number, together with all the other details which constitute a full VAT invoice.
- 6.2.4 To make a new self-billing agreement in the event that their VAT registration number changes.
- 6.2.5 To inform the Provider if the issue of self-billed invoices will be outsourced to a third party.

The Provider agrees:

- 6.2.6 To accept self-billed invoices raised by the Company on their behalf for the duration of this contract.
- 6.2.7 To provide the email address to which self-billed invoices should be sent.
- 6.2.8 Not to raise sales invoices for the transactions covered by this agreement.
- 6.2.9 To notify the Company immediately if they;
- change their VAT registration number;
  - cease to be VAT registered, or;
  - sell their business or part of their business.

## 6.3 Invoicing *(Delete if self-billing)*

- 6.3.1 If self-billing is not possible, the Provider will supply to the Company an invoice within forty (40) days of the end of the month to which such invoice refers.
- 6.3.2 The Provider agrees that each invoice issued or accepted by it will include details of, as regards the Flexibility Services to which the invoice relates:
- a) The Purchase Order number as provided by the Company;
  - b) the date on and time at which the Flexibility Services were provided;
  - c) the relevant Availability Payment details (if any); and





d) the relevant Utilisation Payment details (if any).

- 6.3.3 Invoices are submitted by the Provider to the Company through the Tradex electronic invoicing platform supported by Causeway Technologies Limited (<https://www.causeway.com/sse-tradex-registration>).
- 6.3.4 The Provider agrees that, should it opt for paid features in the Tradex electronic invoicing platform, those costs associated with its use are to be borne by it and not passed on to the Company in any way whatsoever.
- 6.3.5 If in the Company's opinion the Tradex electronic invoicing platform has become an inadequate means for the Provider to submit its invoices, the Company may require the Provider to submit its invoices through a reasonable alternative means which the Company shall specify by providing notice in writing to the Provider.

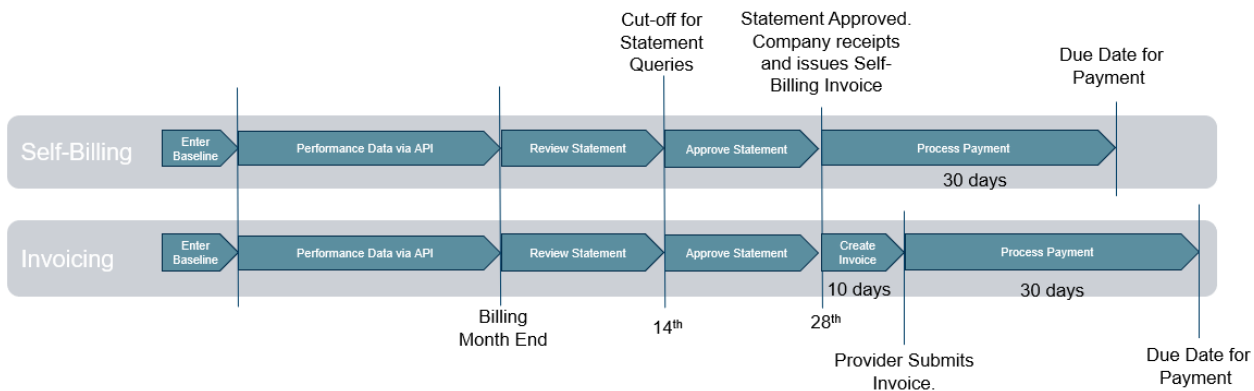


Figure 1: Invoicing and Payment Timeline for Self-Billing and Invoicing options.

## 6.4 Charges

6.4.1 Pricing for any Service which a Provider is participating shall be set out in the Call Off Bid, such Call Off Bid shall be subject to the terms and conditions of this s Service Terms.

## 6.5 Calculation of Charges

6.5.1 There are two types of Flexibility Services payments: Utilisation Payments and Availability Payments. The application of the payment type depends on the Flexibility Service product being delivered.

### Utilisation Payments

6.5.2 Utilisation Payments are made when a Utilisation Instruction is issued by the Company. Utilisation Payments can be in terms of:

- a) For every metered time period, energy (MWh) delivered supplied by the Provider and multiplied by the Utilisation Fee (£/MWh); or,
- b) The capacity (MW) delivered multiplied by the Utilisation Fee (£/MWh) over a period-of-time.

6.5.3 Where the Provider has not fully met the Utilisation Instruction, an additional performance calculation is applied to the Utilisation Payments. The Monthly Utilisation Performance Factor determines how much under delivery is eligible for payment.





## Availability Payments

- 6.5.4 Where availability is applicable to a flexibility service, payments are paid for every Accepted Availability Window in respect of the contract DER groups. Availability Payments are subject to a Monthly Utilisation Performance Factor.
- 6.5.5 Availability is determined by:
- For every metered time period, the Agreed Availability Capacity (MW) multiplied by the Availability Fee.
- 6.5.6 Where a Service Provider declares Unavailability, or was not available at time of delivery, then no Availability Payment will be made for that metered time period.
- 6.5.7 Availability Performance is calculated monthly and availability payments are recovered should the delivered capacity be lower than the agreed delivery capacity. A performance factor is applied to the Availability Payment and consider the Flexibility Service Providers Monthly Utilisation Performance Factor.

## 6.6 Payment Calculation Parameter Values

- 6.6.1 The parameter values that are used in payment calculations are described in [SSEN Flexible Power - Payment Calculations](#) document and outlined below
- 6.6.2 VAOU\_WA, VAOU\_DA, SAOU\_DA, Scheduled Utilisation\*

Attribute	Value
Grace Factor	10%
Penalisation Multiplier	2
Reconciliation Grace Factor	5%

\*There's no reconciliation factor applicable to Scheduled Utilisation

- 6.6.3 Operational Utilisation Services:

Attribute	Value
Delivery Target Threshold	20%
Payable Over-delivery	10%
Penalisation Multiplier	2

## 6.7 Payment Terms

- 6.7.1 In consideration of the provision by the Provider of the Flexibility Services in accordance with the terms of this Agreement, the Company shall pay to the Provider the Charges in accordance with paragraph 6.7.
- 6.7.2 The Company shall pay the Charges within thirty (30) days of receipt of the relevant invoice (the "Due Date for Payment").
- 6.7.3 If the Company intends to pay less than the sum stated as due in the Invoice it shall, not later than five (5) Business Days before the Due Date for Payment, give the Provider notice of that intention by issuing a notice which shall specify both the sum that it considers to be due to the Provider at the date the notice is given, or the sum which it considers is due from the Provider to the Company, and the basis on which that sum is calculated.



- 6.7.4 Unless otherwise agreed in writing between the Company and the Provider, payment of invoices shall be made by the Company by BACS payment to a bank account nominated in writing by the Provider.
- 6.7.5 All payments and all other sums referred to in this Agreement are stated exclusive of VAT. Where applicable, VAT shall be payable by the payer to the payee only upon receipt of a valid VAT invoice.
- 6.7.6 If either Party fails to make any payment due to the other under this Agreement by the Due Date for Payment, then the Party failing to pay shall pay interest on the overdue amount at a rate of two per cent (2%) per annum above the Bank of England base rate from time to time. Such interest shall accrue on a daily basis from the due date until actual payment of the overdue amount, whether before or after judgment. The relevant Party shall pay the interest together with the overdue amount. The Parties acknowledge that their liability under this Clause is a substantial remedy for the purposes of section 9(1) of the Late Payment of Commercial Debts (Interest) Act 1998.
- 6.7.7 Where either Party disputes any application for payment or invoice (or any part of any application for payment or invoice) then, upon receipt by the Provider of notification from the Company of any such disputed amounts, the provisions of Clause of Flexibility Services Standard Agreement version 3 (Dispute Resolution) shall apply in resolving the disputed amounts.
- 6.7.8 In the event that the Company disputes whether certain amounts contained in an invoice are properly due but does not dispute all sums contained in the invoice, the Company shall pay the sums not in dispute in accordance with the terms of this Agreement notwithstanding that the Company is disputing the other sums contained in the invoice.
- 6.7.9 Where either Party disputes any invoice (whether in whole or in part), interest under Clause 7.7.6 is payable only after the dispute is resolved, and only on those sums found or agreed to be due following resolution of the dispute, from the due date until payment.
- 6.7.10 Where, during the Term, the Provider wishes to change its bank details or address for payment, then the Provider must follow the provisions set out in Clause 16 of Flexibility Services Standard Agreement version 3 (Notices).
- 6.7.11 If the Provider fails to apply for payment for or invoice the Company for payment of the Charges within six (6) months of the end of the month in which the Flexibility Services were provided, then the Provider shall be deemed to have waived its right to payment.

## **6.8 Reduction of charges**

- 6.8.1 The Company shall report the Provider's performance for each half-hour of the service window and shall calculate the appropriate fees according to the performance achieved.
- 6.8.2 Where there is no net change in export/import power from the Baseline in any half hour period of the service event, no Utilisation or Availability Payment will be due for that period. The Provider should include the reason for the failure in the performance report.
- 6.8.3 No Utilisation Payment will be due for periods outside of the instructed Start & Stop times.
- 6.8.4 If the Provider has given notice of Unavailability for an agreed Service Window and the Company has elected to cancel the service as a result, the Availability Payment shall not be payable for that service window.
- 6.8.5 If the Provider has given notice of capacity reduction for an agreed Service Window and the Company has elected to continue with the service, the Availability Payment shall be payable based upon the remaining capacity available.

## **6.8 Under-Performance**



- 6.9.1 An under-performing period is one where the minimum performance threshold has not been reached. A reduced Utilisation Price is payable for each underperforming half hour between the event Start & Stop times.
- 6.9.2 The minimum performance threshold is 90% of the instructed power change.
- 6.9.3 The Utilisation Price payable for under-performing periods will be as calculated in the payment calculation document referenced in paragraph 7.6 of this service terms.
- 6.9.4 No Availability Payment will be due for periods where the minimum performance threshold has not been reached.

## **6.10 Over-Delivery Cap**

- 6.10.1 A payment cap is applied to Utilisation Payment for half hour periods where the maximum performance threshold has been exceeded.
- 6.10.2 The maximum performance threshold is 110% of the instructed power change.

## **6.11 Committed Payment Amount (If Applicable)**

- 6.11.1 At the end of a Call Off Contract Period (defined below), if the Provider has not received the Committed Payment Amount stated in the bid decision from the Company and where there was not opportunity to do so, the Provider may raise an invoice for the remainder of the payment amount in accordance with section 6.1.

## **7 Sites & DER**

- 7.1 Sites and DER information must be included by the Provider in the DER details and Pricing information submitted at the point of the Call Off Bid submission for the specific call-off. The Company will rely on these details when requesting Availability or instructing Services pursuant to the Call Off Contract.
- 7.2 If DER details change during the Term of the Call off Contract, the Provider must submit the changed details to the Company with a minimum of thirty (30) days notice and if accepted by the Company the updated details shall form part of the agreement from the date of that acceptance onwards.
- 7.3 The Company will consider the addition or removal of DERs throughout the Call Off Contract Term, however the total contracted capacity and pricing for the Zone cannot be changed outside of the Call Off Tender process.

## **8 Communications**

### **8.1 Process and systems for communications**

- 8.1.1 The Company will use the flexible power platform for communications with Providers.
- 8.1.2 The Company will request Providers to review and accept these Service Terms specific to Flexible Power.
- 8.1.3 Under this agreement, Providers will use the Flexible Power portal and API to simplify scheduling, dispatch, performance reporting, self billing and invoice generation.

### **8.2 Tender for Services**

- 8.2.1 The Company shall announce the Tender for Services through Electron Connect or Tender for Services Document sent via Email.
- 8.2.2 The Provider shall make an offer in response to the Tender for Services via the methods outlined in Annex 2.



8.2.3 The Company shall review and accept an offer and then announce bid decisions via Electron Connect or email in line with Annex 2.

### **8.3 Availability Requests (VAOU\_ WA, VAOU\_ DA)**

8.3.1 Unless agreed otherwise, the Company shall contact the Provider via the flexible power platform and in accordance with the notice periods in Section 5.2 - Generic Service Parameters to request Availability (an "Availability Request") per Dispatch Group and to confirm related operating parameters:

- Zone Name,
- Provider Name,
- Dispatch Group,
- Requested Availability Windows, Power Requirements and Response Direction.
- Operating parameters (Minimum Utilisation Period, Maximum Utilisation Period, Weekly Limit, baseline method and values if applicable).

8.3.2 Unless agreed otherwise, the Provider shall respond by email to the Availability Request within the timescales stated in Section 5.2 - Generic Service Parameters.

8.3.3 The Provider may decline an Availability Request or propose reduced capacity/changes to operational parameters. If changes to the request are agreed, the Company will re-issue the Availability Request for formal acceptance.

8.3.4 By accepting an Availability Request, the Provider is committing to be ready to provide the Committed Capacity throughout the Availability Window, if instructed to do so by the Company.

8.3.5 If there is no reply to an Availability Request within the timescales in Section 5.2 – Generic Service Parameters, the Company shall deem the Provider to be Unavailable for the requested Availability Windows.

8.3.6 Unless agreed otherwise, the Company will enter Accepted Availability Windows and related parameters on the Flexible Power platform.

### **8.4 Utilisation Instructions (VAOU\_ DA, VAOU\_ WA, SAOU\_ DA, Scheduled Utilisation, Operational Utilisation, Emergency Flex)**

8.4.1 The Company may, for an Accepted Availability Window (for VAOU\_ DA, VAOU\_ WA and SAOU\_ DA) or other period of time (for Operational utilisation, Scheduled Utilisation and Emergency Flex) in respect of a Dispatch Group which has not been notified or otherwise deemed Unavailable, issue a notice (a "Utilisation Instruction"), which includes:

- Zone Name;
- Provider Name;
- Dispatch Group;
- Power Requirement and Response Direction;



- Start Time and/or Stop Time.

8.4.2 The Company may issue an individual Utilisation Instruction or a set of instructions known as a Utilisation Schedule to the Provider.

8.4.3 The Provider shall not deliver the instructed power change unless they have received an Utilisation Instruction or Utilisation Schedule from the Company and the associated Start Instruction via API.

- For scheduled VAOU\_WA services: Each Thursday afternoon at 14:00, flexible power shall issue a Utilisation Schedule for the operational week ahead.
- For VAOU\_DA & Operational Utilisation services to support planned works, utilisation may be instructed in near real time via phone or email from the control room.
- For SAOU\_DA Services: flexible power shall issue a Day Ahead Utilisation Schedule at the same time every day at 13.30 to inform participation.
- For Scheduled Utilisation services: the Company will send a one-off instruction by email for defined seasons of the year.

## 8.5 API Instructions

8.5.1 For all service types, the Portal will issue a Start Instruction via API before the Event start time in accordance with the notice periods in Section 5.2- Generic Service Parameters.

8.5.2 For all service types, the Portal will issue a Stop Instruction via API at the Event end time.

8.5.3 If during an Event a change to the Stop Time is required, the Company may (subject to operational parameters) (after any agreed minimum run time) issue an updated Stop Instruction via API, accompanied (optionally) by phone call and pay Utilisation for the whole Service Window that the Company instructed for.

8.5.4 If the service does not end at the instructed Stop Time, the DER may be tripped if the Company determines there is a risk to the network.

## 8.6 Unavailability

8.6.1 If at any time, the Provider becomes aware that a Dispatch Group will be Unavailable or capacity reduced during an Accepted Availability Window and/or any other period of time, then it shall as soon as reasonably practicable, contact the Company's Flexibility Dispatch Desk to notify;

- Provider Name,
- Portal ID of unavailable Meterable Unit or Dispatch Group,
- Datetime Unavailable from,
- Datetime Unavailable to.
- Remaining capacity during these times (if applicable).

8.6.2 Upon receipt of an Unavailability notification, the Company may at its discretion:

- (i) Elect to continue with affected service(s) at reduced capacity.
- (ii) Elect to cancel service(s).

8.6.3 The Company's decision will be communicated to the Provider as soon as reasonably practicable, however should that not be before an Accepted Availability Window or Start Instruction, the Provider shall be ready to deliver (or shall continue to deliver) the service at the remaining capacity where applicable.



## 8.7 API Development

- 8.7.1 An API is a software intermediary that allows two applications to talk to each other. In the context of the Company's Flexibility Services, the API replaces the requirement for dedicated hardware to be provided to connect to a Provider's sites in order to collect metering data and send control messages.
- 8.7.2 Providers are expected to develop their own internet facing API endpoint and software adapter into the systems that they use in providing Flexibility Services to the Company. This is due to the variety of potential scenarios that can occur, ranging from a single asset such as a standalone generator through to a complex estate with multiple assets or even part of a portfolio under management by a commercial aggregator.
- 8.7.3 The Company does not provide technical integration services but may offer, at its discretion, a one-off "integration contribution" payment to the Provider of up to £5000.00 towards any integration costs incurred.
- 8.7.4 The Company can suggest 3rd Parties to provide integration services if requested by the Provider. The Provider is not obliged to use the suggested 3rd Party, and the Company accept no liability for the 3rd Party.
- 8.7.5 The Company will pay the integration contribution upon a successful integration test, and presentation of evidence for costs incurred (e.g. timesheets or copy of purchase order for systems integration work).
- 8.7.6 The Participant API specifications are published at:  
<https://flexiblepowerportal.co.uk/docs/public/index.html>

## 8.8 Signal and Control Requirements

- 8.8.1 Unless agreed otherwise, metering data should be provided via the API continuously and close to real time at minute (power) or half-hourly (energy) granularity.
- 8.8.2 The Provider shall send the following data to the Company via the API:
- Power (minute) or Energy (half hour) metering, per Meterable Unit.
  - Emergency stop signal, per Meterable Unit.
- 8.8.3 The Company shall send the following control signals to the Provider via the API.
- Start Instruction, per Meterable Unit.
  - Stop Instruction, per Meterable Unit.

## 8.9 API Testing

- 8.9.1 Set up and testing of the API requires access to the Portal User Acceptance Testing (UAT) environment which offers new Providers a safe environment to set up and test the API.
- 8.9.2 Once a Provider has completed API set up and testing within the UAT environment they will be provided with an account on the Portal production environment in which to configure the production API.
- 8.9.3 For short-term bidding, API testing and Flexible Power Integration must be done ahead of the bidding window.



## 8.10 Portal Configuration

8.10.1 Post Contract Award and unless agreed otherwise the Company will:

- Configure services, pricing, dispatch groups and meterable units in the Portal for the Provider, and;
- Create user accounts that will give the Provider access to the Portal.

8.10.2 API set-up & testing and Portal configuration must be completed before any services are instructed.

8.10.3 API set-up & testing and Portal configuration must be completed before short-term bidding can take place.

## 9 Performance Monitoring

Performance against instructions given is determined automatically by the Flexible Power Portal using pre-determined baseline data and actual metering data uploaded by Providers. Performance reports for each Event can be viewed by the Company and the Provider.

### 9.1 Metering Standards

9.1.1 For Asset Point Metering, the Provider will ensure compliance with the following metering standards set out within the most recent published relevant Balancing and Settlement Code of Practice Eleven: code of practice for the metering of balancing services assets for settlement purposes:

- a) the metering 'accuracy requirements'
- b) 'the asset meter calibration test certification'
- c) 'the limits of error'
- d) The 'sealing' requirements

9.1.2 For Boundary Point Metering, the Provider should be compliant with Balancing and Settlement Codes of Practice 1, 2, 3, 4, 5 and 10 as applicable.

9.1.3 If requested by the Company, the Provider shall provide evidence of compliance with the above standards. This may be in the form of certification, photo, or written confirmation.

### 9.2 Baseline For Measuring Delivery

9.2.1 A baseline must be recorded in the Portal no later than the Wednesday preceding an Operational Week. The baseline is used by the Company to forecast absolute power values for the week ahead, and after each Event by the Portal billing system to calculate utilisation and performance.

9.2.2 The supported baseline methods are:

- (i) Nominated - this can be a fixed power value (kW), or a representative week time-series of average power (kW) values, at minute or half-hourly granularity.
- (ii) Historical - an averaged historical baseline value (kW) calculated month by month basis by taking power readings between 3pm and 8pm (Monday to Friday) over a period of the first three (3) weeks of the previous month.

9.2.3 The baselining method and any fixed values or profiles shall be agreed between the Company and the Provider post Contract Award and ahead of any service provision.

9.2.4 If requested, Providers must provide the methodology used for determining nominated Baseline values and be able to demonstrate the method's accuracy by comparison with real data.





### **9.3 Testing and monitoring**

- 9.3.1 Testing may be undertaken to confirm the Provider's ability to deliver the services described in this agreement. The Company shall be entitled to request data from the Provider evidencing the delivery of flexibility which shall not be unreasonably withheld. Delivery will be verified by the Company using network monitoring and reporting systems.
- 9.3.2 Testing will be organised no more than once a year for a time and duration acceptable for both the Company and Provider to be agreed in advance. Testing will be planned to minimise impact to the Provider's normal operations.
- 9.3.3 The Company retains the right at its own discretion to refrain from issuing Availability Requests or Utilisation Instructions to the Provider until necessary testing has been concluded.
- 9.3.4 The Company shall be entitled to request specific technical or operational information during the course of the contract in order to understand the effect of services provided on the distribution network, and the Provider shall not unreasonably withhold such information.
- 9.3.5 The Company may repeat testing for the following reasons;
- Where test results are unsatisfactory or inconclusive;
  - following a service or communications failure, or;
  - on an annual basis
- 9.3.6 Should the Company identify a failure affecting the API communications the Company shall notify the Provider's nominated person as detailed in section 1.2 as soon as practical in order to resolve the failure and if necessary retrieve any missing data.

### **9.4 Service Meter**

- 9.4.1 Minute by minute and half hourly data will be accepted by the Company from the Provider for settlement purposes. Certain products rely on minute-by-minute metering granularity for accurate performance monitoring and settlement. Where an alternative to minute-by-minute granularity is provided the data may be disaggregated. As such, this could result in performance monitoring and calculation inaccuracies.

### **9.5 Service Failure**

- 9.5.1 Means where, in respect of a Dispatch Group within a Zone, (a) the Provider has achieved less than 75% of the instructed utilisation in any billing month; or (b) the Provider has issued Unavailability Notices, or the Company deems services as unavailable, for 25% of Accepted Service Windows or Committed Capacity in a billing month.

### **9.6 Auditing**

- 9.6.1 The Company shall be entitled to request specific technical or operational information during the course of the Overarching Agreement in order to understand the effect of the Services provided on the distribution network, and the Provider shall not unreasonably withhold such information.
- 9.6.2 The Company shall provide a minimum of 10 days' notice of any proposed visit to the Provider's site/facilities. The Provider shall not unreasonably withhold permission for the Company to visit the Provider's site/facilities, where they are authorised to grant such permission.

## **10. System/Technical Requirements**

- 10.1 Flexible Power (The Portal & API) is a multi- DNO platform designed to standardise and automate some day-to-day operational processes including:





- Asset management.
- Baselineing.
- Availability management.
- Dispatch/Utilisation Instruction
- Performance reporting.
- Statement/Invoice generation.

10.2 Portal features, permissions, and operational processes may vary between DNOs and Providers, depending on the specifics of contracts.

## 11. Special Requirements

11.1 Where there is a choice of Providers in a zone, the principles followed to determine how much capacity to request from each provider is known as the dispatch framework:

- (i) Each Zone-Provider-Service is scored on the following criteria:
  - Price compared to other services
  - CO<sub>2</sub> emissions
  - Prior performance (on first use this is set to 100%)
- (ii) A starting assumption of available capacity is made based on the Maximum Capacity. If a Provider's Maximum Capacity exceeds the requirement, the starting assumption value is set to the required capacity.
  - Each Provider's assumed capacity is adjusted based on their relative scores in the zone.
  - The required capacity is divided pro-rata, based on the adjusted capacities.
  - If the adjustment of capacity results in a lower total capacity than the requirement, the adjustment is ignored and the requirement is pro-rated based on the starting assumption capacity.
  - If the starting assumption total capacity is lower than the requirement, the Maximum Capacity will be requested.
  - The minimum capacity that will be requested per Provider is 10kW.
- (iii) For Utilisation Instructions, if the required capacity less than the capacity available, it is divided pro-rata based on Committed Capacities, subject to the same minimum instruction of 10kW.

11.2 For Operational Utilisation services where there is no availability request or Committed Capacity, dispatch decisions are made in real time based on criteria that apply to the particular operational situation.

## 12. Data Protection

12.1 If at any point during the term, either Party considers that one Party is acting as processor on behalf of the other, then the Parties shall promptly meet to negotiate in good faith a separate data processing agreement to cover the matters required by the Data Protection Law.

## 13. Details of Provider and Special Conditions

13.1 Any variations to the General Terms and Conditions are detailed at the start of this Overarching Agreement.



# Annex 1 – Flexibility Management Systems/Technical Requirements

## 1. Company Flexibility Management System Details

- 1.1 These technical requirements together with the Service Terms and Associated Documents will apply to Providers adopting the automatic approach using Flexible Power.
- 1.2 For information, the Company's standard Associated Documents for Flexible Power can be viewed here: <https://www.ssen.co.uk/our-services/flexible-solutions/flexibility-services/flexibility-services-document-library/>

## 2. Dispatch Principles

- 2.1 The DER details specified by the Provider at pre-qualification and the in any Call Off Bid (defined in Annex 2) from the Provider must be accurate and in accordance with the terms of this Overarching Agreement. As outlined in the Service Terms, the Company will rely on the DER details provided by the Provider when requesting Availability or instructing Services pursuant to this Overarching Agreement.
- 2.2 In post-fault scenarios, Providers will be given access to the electricity distribution network to export or import electricity under conditions which would normally not be permitted and result in isolation from the network. This access is given by the Company only for the duration of this Overarching Agreement and as instructed by the Company under this Overarching Agreement and will cease upon termination of the Overarching Agreement.
- 2.3 The following criteria will be used by the Company before requesting Availability or issuing a Utilisation Instruction to determine which Provider will be used. The Company shall retain, at its sole discretion, the right to select the most appropriate Provider to provide a service and may elect to resolve the need for Flexibility Services by relying on other types of contracts or providing solutions itself.
- 2.4 Dispatch Criteria may include some of, and/or of the following:
  - Technical suitability for the specific constraint scenario;
  - Pricing – to select optimal economic solution for the Company's stakeholders and customers (£/MWh);
  - Carbon intensity – measure of how many grams of carbon dioxide (CO<sub>2</sub>) are released to produce a kilowatt hour (kWh) of energy required for the service;
  - Reliability of asset – the ability of the DER to perform under certain conditions over a specified period without service failure;
  - Any known Unavailability or reduced capacity; and
  - Management of network risk.



# Annex 2 – Auction/Tender/Trade Guidelines

## 1. Introduction

This Annex 2 outlines the two ways we will accept bids. Section 1 describes bid acceptance using the existing “Tender for Services via CSV” approach, whilst section 2 describes bid acceptance using our market platform (Electron Connect). We will inform Providers of our preferred option prior to bid commencement. Only one method will be used per bidding round and no bids submitted via the other route will be accepted.

## 2. Tender for Services via CSV

- 2.1 For all Services, the Company will open a ‘Tender for Services’ by email for Providers who are parties to this Overarching Agreement in advance of the Services being required. When the Tender for Services is announced, the Company will make available information about the Services required, the period over which the Services will be required (known as the “Call Off Contract Period”), the capacity of services required in each Zone over the Call off Contract Period and the expected Availability/Utilisation of each Service in each Zone A template for the Tender for Services document is included in Section 6 of the “Forms and Template” section of this Annex 2.
- 2.2 The Provider may then respond by email with a bid offer (known as a ‘Call Off Bid’) for any Services it would like to participate in by the deadline specified in the Tender for Services. The Provider must respond using the standard Call Off Bid Submission form provided in Section 7 of the “Forms and Template” section of this Annex 2 in CSV or Excel format. The email must be sent to [flexibilityprocurement@sse.com](mailto:flexibilityprocurement@sse.com) before the stated close time to be considered a valid bid.
- 2.3 The Company will then decide which bid offer to accept and announce the bid acceptance decision(s) by email to the relevant Providers. The bid acceptance decision will be made by the Company based on the bid pricing and sensitivity/effectiveness analysis. Where two bids are priced identically, the Company may base its decision on secondary considerations such as flex assure membership, reliability and carbon intensity.
- 2.4 Where applicable, the bid acceptance decision will also detail the Availability for Services that the Company commits to purchasing from the Provider over the Call Off Contract Period. Where applicable, the committed purchase of Availability and the Provider’s Availability Payments will be used to calculate a Committed Payment Amount for VAOU\_WA Services which will be specified in the decision acceptance.
- 2.5 Once the bid has been accepted by the Company, the details provided by the Provider in its Call Off Bid will form the basis of the accepted agreement between the Provider and the Company.

## 3. Electron connect market platform

- 3.1 For all services procured on Electron Connect , the Company will prepare tender requirements and publish these via the platform.
- 3.2 Each CMZ will have an individual market on the platform, and Providers who meet all the technical and commercial qualification criteria will be able to participate.. When the auction is announced, ElectronConnect will include information about the Services required, the contract start date and the contract end date, the estimated capacity required in each CMZ over the contract period and the service window in each Zone. .



- 3.3 The Provider may then make offers for each market they wish. To be a valid offer, it must be submitted in ElectronConnect before the published deadline and be submitted to the ElectronConnect with instant confirmation on the platform stating "file uploaded successfully".
- 3.4 To ensure that the Provider submits a valid bid, the Provider must ensure that the following parameters are included in the bid and are as intended before submission is made:
- flexibility volumes in MW;
  - Availability prices (where required);
  - Utilisation prices;
- The platform will not allow submission without this information. It is the responsibility of the Provider to ensure the information is correct, fully populated and applied to the right locations and assets.
- 3.5 The decision on which bids to accept is made by generating a stack for each asset using the market platform algorithm. A single price stack is generated with bids from all Provider organisations for the entire contract length. The methodology of the price stack will be available on the Flexibility Service Documentation Library page ahead of window opening.
- 3.6 The platform generates and notifies the bid acceptance decision(s) by email to the relevant Providers. Once the offer has been accepted, the details provided by the Provider in its bid template will form the basis of the accepted agreement between the Provider and the Company.



## Annex 3 - Applicability of Manual or Flexible Service Terms

- Providers have the choice of manual or flexible power (automated dispatch) service terms for the dispatch of flexibility services depending on the service being dispatched.
- The capability to participate in automated dispatch service terms or manual service terms will be confirmed at onboarding stage.
- Please note that we can only dispatch SAOU\_DA services using Flexible Power.
- Please note that currently, VAOU\_DA and Operational Utilisation can only be dispatch manually using manual processes such as phone and email. This is subject to change in future.



# Annex 4 - Forms & Templates to Flexibility Services Service Terms – Company Active Services

## 1. Introduction

1.1 The Company and Provider shall use the following standard forms and templates as part of the operational processes:

## 2. Availability Request

2.1 Availability Request - Minimum Information:

<i>Date and Time of Request:</i>	<i>[Date &amp; Time]</i>
<i>CMZ Name:</i>	
<i>Provider Name:</i>	
<i>DER Name:</i>	
<i>Service Requested:</i>	<i>[VAOU_WA, VAOU_DA]</i>
<i>Direction:</i>	<i>[Generation Turn Up/Demand Turn Down or Generation Turn Down/Demand Turn Up]</i>
<i>Availability Required From:</i>	<i>[Date &amp; Time]</i>
<i>Availability Required To:</i>	<i>[Date &amp; Time]</i>
<i>Capacity:</i>	<i>Active power change capacity, as a change from Baseline (MW)</i>



<p><i>Baseline Method:</i></p>	<p>The baseline is the power that changes are measured against. The baseline method should be agreed at the time of confirming availability and can be:</p> <ul style="list-style-type: none"> <li>• Historical average</li> <li>• Provider nominated half-hourly profile.</li> <li>• Provider nominated static value.</li> </ul> <p>Note that the baseline for Restore services is normally zero, since the service is used post-fault.</p>
<p><i>Nominated Static Baseline (MW):</i></p>	<p>If applicable, enter the static baseline value in MW (Use -ve values for demand assets).</p>

### 3. Utilisation Instruction

#### 3.1 Utilisation Instruction - Minimum Information:

<p><i>Date and Time of Instruction:</i></p>	<p><i>[Date &amp; Time]</i></p>
<p><i>CMZ Name:</i></p>	
<p><i>Provider Name:</i></p>	
<p><i>DER Name:</i></p>	
<p><i>Service Instructed:</i></p>	<p><i>[VAOU_WA, VAOU_DA, SAOU_DA, Operational Utilisation, Scheduled Utilisation]</i></p>
<p><i>Direction:</i></p>	<p><i>[Generation Turn Up/Demand Turn Down or Generation Turn Down/Demand Turn Up]</i></p>
<p><i>Start Time:</i></p>	<p><i>[Start time DD/MM/YY HH:MM]</i></p>



<i>Stop Time:</i>	<i>[Stop time DD/MM/YY HH:MM], if known at the time of instruction. If unknown, a separate Stop instruction may be used.</i>
<i>Capacity:</i>	<i>Requested power change (MW).</i>
<i>Baseline:</i>	<i>Power baseline (MW). Use -ve values for demand assets.</i>

## 4. Unavailability/Remedy Template

### 4.1 Unavailability Notification – Minimum Information:

<i>Provider Name:</i>	
<i>CMZ Name:</i>	
<i>DER Name:</i>	
<i>Service Unavailable/Reduced From (Date/Time):</i>	
<i>Service Unavailable/Reduced To (Date/Time):</i>	
<i>Reduced Capacity, if applicable:</i>	
<i>Reason for unavailability/reduction:</i>	
<i>Name and Contact Details:</i>	<i>[of individual giving notification]</i>
<i>Date and Time of Notification:</i>	<i>[date/time notification was given to the Company]</i>
<i>Provider Ref:</i>	<i>[e.g. incident or ticket ref]</i>





## 5. Performance Reporting

5.1 Performance Report is automatically generated by the flexible power portal with earnings, using metering data uploaded by Providers.

## 6. Tender for Services

6.1 Ahead of the tender, the Company will make information available about the forthcoming tender. An example of an outline of information on upcoming tenders is given below:

Tender for Services - Outline														
Call off contract period (Start date)		01/04/2023						Period over which the call-off contract will apply (start and end date)					End date	31/03/2023
Deadline for F&P response		30/01/2023						Specific date (usually - 2 weeks after issue of tender)						
Zone	License Area	Service	Service Response Direction	Minimum Capacity (MW)	Maximum Capacity (MW)	Estimated Market Value (£)	Year	Service Window	Service Seasons*	Expected Days/season	Hours per day for each season (Hours)	Forecasted Availability hours for the year (Hours)		
E.g.	Amersham	SEPD Operational Utilisation + Variable Availability (Secure)	GTU/DTD	0.01	1	2,000.00	2025/26	17.00 - 19.00	Spring/Autumn	2	7	14		
	Amersham	SEPD Operational Utilisation + Variable Availability (Secure)	GTU/DTD	0.01	1.00	2,000.00	2025/26	14.00 - 16.00	Winter/Spring/Autumn	2	6	12		

Figure 3: Tender for Services screenshot

## 7. Call Off Submission Form

7.1 Call Off Submission Form to be submitted by the Provider. An example is given below:

Call off Bid Submission Form - Outline Document										This form should be used by the Provider at the Call Off Bid stage to submit information about the site, DER and pricing information to the Company	
Provider											
Operational Contact Details											
Provider's Response:											
Zone	Service	Type	Service Response Direction	Asset	Maximum Capacity Offered (MW)	Availability Price (if applicable) (£/MWh/h)	Utilisation Price (£/MWh)	Type of baseline	Minimum run time (minutes)	Year of capacity	
E.g.	Amersham	Operational Utilisation + Variable Availability (Secure)	EV Charger	GTU/DTD	Asset 1	0.01	30	325	Nominated	30	2024/25
	Amersham	Operational Utilisation + Variable Availability (Secure)	Battery	GTU/DTD	Asset 2	0.02	25	250	Historical	3	2024/25

Figure 4: Call Off Submission Form screenshot



## Annex 5 - Emergency Flex (Opt in / Opt out)

The Company shall use the outcome of the contract acceptance evaluation questionnaire to confirm if the Provider has opted in or opted out of providing Emergency flex.

An example is provided below:

Emergency Flex	
The Provider shall opt in or opt out of providing Emergency Flex by answering yes or no to the question below:	Yes/No
Do you wish to opt in to providing Emergency Flex Services?	





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