

**Supporting Document to
Periodic Indicative Notice
(PIN) issued 31st Dec 2018.**

**In respect of the
Flexible Power 2019 Demand
Response Purchasing
Requirements.**



Purpose of this document

This document will provide potential suppliers of demand response with sufficient information to allow them to respond to Western Power Distributions Flexible Power 2019 Demand Response Periodic Indicative Notice (PIN).

This document is split into the following sections:

Section 1	Description of the services we intend to procure
Section 2	The process we will use to procure these services
Section 3	Minimum eligibility criteria
Section 4	Sources of further information

Background

Western Power Distribution (WPD) is the electricity distribution network operation for the Midlands, South West & Wales. Its network delivers electricity over a 55,500 square kilometre service area to over 7.9 million customers.

Access to demand response services can increase WPD's ability to accommodate demand without having to build a larger network. This means WPD can reduce overall network expenditure, resulting in a wider saving to all WPDs customers.

Flexible Power is the customer facing brand created by WPD to deliver the procurement of demand response services.

Section 1 – Description of the services we intend to procure

WPD recognises that within its distribution area many electricity consumers have the potential to decrease import by shifting demand away from peak periods or the ability increase export by switching their consumption to on-site generation. Where WPD has a known constraint on its network, it wishes to enter into contract with these consumers which will allow WPD to utilise this demand and generation flexibility in return for a payment. This type of arrangement is widely referred to as demand response.

Constraints on WPDs network are confined to specific geographical locations, WPD defines these locations as Constraint Management Zones (CMZs). WPD will be seeking to procure demand response services within CMZs it has identified and published on its Flexible Power website. The website will provide a map of the CMZs location, a postcode finder to allow potential demand suppliers to confirm their site is within the CMZ and the operational window the demand response will be required in. The operational window will detail; the time of year WPD will require the demand response, the time of day WPD will require the demand response and a forecast of the total MWhs WPD anticipate needing within the window. Operation windows will generally be seasonal to support the constraints within the summer and winter demand peaks. Contracts will be awarded for the minimum of 1 year, with the option to extend into further years should the CMZ have ongoing requirements. WPD may decide to award multiple contracts within a CMZ to meet its peak MW requirement.

WPD will procure demand response services in alignment with the services described in ENA'S Open Networks Project DSO Service Definitions document ONSWSP210SEP18.

Section 2 – The process we will use to procure these services

WPD will maintain a Dynamic Purchasing System (DPS) for its demand response requirements. The DPS will hold records of all potential suppliers that have passed a Pre-Qualification Questionnaire (PQQ) to ensure they meet the minimum eligibility criteria described in section 3. The PQQ does not commit either party to service provision. The PQQ will also ask for site information which will support WPD’s assessment of zone viability, and inform which zones proceed to full procurement.

In order to join the DPS, interested parties will be required to first register their interest via WPDs 2019 Periodic Indicative Notice (PIN). All parties who respond to the PIN throughout 2019 will then be asked to complete the PQQ. Parties who pass the PQQ stage will be added to the DPS, these parties will receive an Invitation to Tender (ITT) to all of WPDs 2019 Demand Response requirements.

2019 DPS registration timescales

31st December 2018 - 30th December 2019 – window open for PIN responses

4th February 2019 - 30th December 2019 – window open for PQQ responses

WPD plans to run two main procurement cycles throughout 2019, the timetable for these is detailed below. Please note, WPD reserves the right to withdraw or add procurement at any time throughout the year.

Procurement cycle 1 – for summer 2019 operation window

4th February 2019 – Proposed CMZs published on our website www.flexiblepower.co.uk

19th March 2019 – ITT issued to all participants accepted onto the DPS

22nd April - ITT Deadline

13th May – Procurement results

Procurement cycle 2 – for winter 2019/20 operation window

1st July 2019 – Proposed CMZs published on our website www.flexiblepower.co.uk

12th August 2019 – ITT issued to all participants accepted onto the DPS

16th September - ITT Deadline

7th October – Procurement results

Section 3 – Minimum eligibility criteria

To be successfully registered on the DPS parties must meet the following eligibility criteria:

- Completion of all mandatory sections of the PQQ

For a site to be successfully awarded a contract it must meet the following criteria:

- Each site must be within an active CMZ.
- Each site must be able to provide minute by minute metering data.
- Each site must be able to respond within 15 minutes of receipt of a dispatch signal and hold the response for at least 2 hours.
- Each site will be required to build an Application Programme Interface (API), through which the site will receive dispatch signals and meter data will be issued to WPD.
- Each site must be built or have a connection agreement with final milestone before the CMZs operating window.
- Provision of the service must not put the participant in breach of other agreements (e.g. connection agreements...).
- Acceptance of WPDs CMZ Terms & Conditions

Section 4 – Sources of further information

WPD has created the Flexible Power brand to deliver the procurement of demand response services. The Flexible Power website is dedicated to providing visibility of the services WPD is looking to procure, it contains detailed information about active CMZs and supporting documentation including; the ENA's DSO service descriptions, the process for declaration and dispatch, payment methodology, the CMZ Terms & Conditions, API requirements.

The website can be viewed at www.flexiblepower.co.uk.

Should you require any further information please contact the Flexible Power team: WPDFlexiblePower@westernpower.co.uk.