

9th December 2022

Dear Colleague,

OPERATING MARGINS (“OM”) – INVITATION TO TENDER – Ariba Reference: WS1252075468

This Invitation to Tender is made in respect of National Grid Gas plc’s (“National Grid”) latest OM procurement exercise.

OM Requirement

Tenders are invited from Storage, LNG Importation with Storage, or Demand Reduction to meet the 2023/24 forecast OM requirement of 995 GWh.

Changes for the 2023/24 Tender

There is one important change that participants should note for the 2023/24 tender.

Last year, National Grid introduced an additional option to provide a ‘Winter only’ tender submission for 2022/23. This allowed for tenderers to submit a proposal covering the last seven months of the traditional OM contract year, i.e., for the period 01/10/2022 – 30/04/2023.

Following the outcome of the recent 22/23 OM Supplementary Tender and changing commercial requirements the ‘Winter only’ option has been removed from this year’s tender event, and the associated tender documentation has been updated.

E-tendering

We shall be using the electronic ARIBA portal for the submission of tenders. We encourage you to register on ARIBA, if you do not have an account and, or wish to familiarise yourself with the portal by Friday 23rd December 2022; in order for you to gain access and prepare for tender submission. Alternative methods of tender submission are not allowed.

If you have not received an email directly from ARIBA inviting you to the tender event by 9th December 2022, please contact National Grid at Box.GasContractServices@nationalgrid.com

All users who do not have an Ariba account will be required to register, which can be accessed via Ariba Supplier at the following link <https://supplier.ariba.com/>

Once you have registered for an account, you will need to email National Grid (Box.GasContractServices@nationalgrid.com) requesting to be invited to tender for the OM event in

Ariba Sourcing by completing the following table.

Ariba Supplier ID Number	
Company Name	
Ariba Key Contact Name	
Ariba Key Contact Email Address	
Ariba Key Contact Mobile Number	

National Grid will verify the information provided prior to approving login credentials and invite the tenderer to participate with an auto generated email.

Please be advised that the portal inviting tenders for the OM service year 2023/24 is now open. The portal, created within the “Ariba Sourcing” online environment, shall be open for about six (6) weeks (closing at 13:00 (GMT) on Monday 23rd January 2023) and can be accessed via the following link once you have registered and received the auto generated invitation to participate email.
<https://sourcing.ariba.com/>

Once you have logged in you will be able to:

- Read the Invitation to Tender
- Download, Populate and Attach Tender Pack(s)
- Read and agree to the Terms & Conditions
- Submit Tender(s)

There is an OM Ariba Webinar available as part of the tender documentation below which details the registration and tender submission process.

Tender Documentation

Documentation relating to this Invitation to Tender is now available on National Grid’s website:
<https://www.nationalgrid.com/uk/gas-transmission/balancing/operating-margins-om>

The following documents have been published:

- This Invitation to Tender (ITT) Letter
- Tender Guidance Document
- Tender Pack 1 – Gas Capacity
- Tender Pack 2 – Gas Delivery (LNG)
- Tender Pack 3 – Gas Delivery (Demand Reduction)
- OM Tenderers Contract Response Form
- Operating Margins Agreements
 - Gas Capacity Agreement – Storage (Capacity Tender)
 - Gas Delivery Agreement – LNG Storage (Delivery Tender)
 - Gas Delivery Agreement – Demand Reduction (Delivery Tender)
- OM Ariba Webinar

OM Timeline

The key dates for this procurement event are as follows:

Activity	Date
Tender Opens	Friday 9 th December 2022
OM Tenderers Contract Response Form Submission Deadline (only required if amendments are proposed)	13:00 (GMT) on Tuesday 10 th January 2023
Tender Submission Deadline	13:00 (GMT) on Monday 23 rd January 2023
Tender Assessment	24 th January – 24 th February 2023
Tender Results Notification	During Week Commencing 27 th February 2023
Contract Issue and Acceptance	March /April 2023
Service Commencement	05:00 BST hours on Monday 1 st May 2023

All tenders must be received by the prevailing National Grid e-sourcing tool no later than **13:00 (GMT) on Monday 23rd January 2023.**

OM Contract Terms

National Grid is subject to its Gas Transporter Licence obligations to ensure a tenderer does not obtain any unfair commercial advantage from a preferential or discriminatory arrangement as against another tenderer. This means that National Grid cannot substantially deviate from the terms published in the template OM Agreement. **Therefore, proposed contractual amendments should only be submitted if they are deemed reasonably necessary to reflect the type and technical characteristics of the relevant site.** Any changes that tenderers wish to propose to these template OM Agreement terms (or alternative terms) must be captured on the standalone 'Contract Amendments Form', which must be submitted to Box.GasContractServices@nationalgrid.com **no later than 13:00 (GMT) on Tuesday 10th January 2023.** Such proposed amendments will be factored into the assessment of the tenders.

Further Information

For further information and a more detailed explanation of the procurement process, please refer to the OM Tender Guidance Document.

Should any party wish to arrange further discussions directly with National Grid, please request a meeting at your earliest convenience. Alternatively, please contact me should you have any queries.

Yours Sincerely,

John Cummins
Senior Contracts Officer
National Grid Gas plc