

13th September 2022

Dear Colleague,

**OPERATING MARGINS (“OM”) – INVITATION TO TENDER – WINTER 2022/23 SUPPLEMENTARY
TENDER**

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

OM Requirement

The OM requirement for 2022/23 was determined to be 869GWh with multiple contracts across Storage, LNG Importation with Storage and/or Demand Reduction agreed as a result through the 2022/23 OM tender.

However, given developments in the energy markets since the 2022/23 OM tender was concluded in February 2022, National Grid has reviewed the OM requirement for Winter 2022/23 to establish if it remains fit for purpose and we have concluded that **additional volumes are required** to cover the period between **1st December 2022 and 30th April 2023**. The indicative additional forecast requirement is **for a minimum of 75GWh**.

Therefore, additional tenders are invited from Storage, LNG Importation with Storage and/or Demand Reduction to meet this additional 2022/23 forecast OM requirement.

E-tendering

We shall be using the electronic portal ARIBA for the submission of tenders. We encourage you to register on Ariba if you do not have an account and familiarise yourself with the portal by Monday 19th September 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 17:00 on 14th September 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 Gas (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 Supplementary OM tender for service year 2022/23 is now open. The portal, created within the “Ariba Sourcing” online environment, shall be open for about 3 weeks (closing at 13:00 (BST) on Monday 3rd October 2022) 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)
- 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	13 th September 2022
Tender Submission Deadline	13:00 (BST) on Monday 3 rd October 2022
Tender Assessment	3 rd October 2022 – 24 th October 2022
Tender Results Notification	Week Commencing 31 st October 2022
Contract Issue and Acceptance	24 th November 2022
Service Commencement	05:00 GMT hours on Thursday 1 st December 2022

All tenders must be received by e-tender no later than **13:00 (BST) on Monday 3rd October 2022.**

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.** Please note that any proposed contractual amendments must be submitted in the Tender Pack using the Contract Response Tab; submission of marked up contracts showing required changes cannot be accepted. 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 for the 2022/23 Supplementary Tender.

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
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