

Invitation to Supplemental Tender Gas and Electricity Network Innovation Strategies

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Confidential

Contents

1. Introduction	3
2. Background	3
2.1 Related Work	3
3. Scope of Services	4
3.2 Programme of Work	7
3.3 Communication	8
3.4 Reporting	9
3.5 Quality Assurance & KPIs	10
3.6 Additional Obligations of the Consultant	10
4. Approach	11
4.1 Stage 1 – Initial Proposal	11
4.2 Stage 2 – Interview	11
5. Delivery - Timescale	12
6. Terms and Conditions	13
7. Appendices	13

1. Introduction

Energy Networks Association (ENA) is the voice of the networks, representing the 'wires and pipes' transmission and distribution network operators for gas and electricity in the UK and Ireland (known as Member Companies).

The first Gas and Electricity Network Innovation Strategies (GNIS and ENIS respectively) were published in March 2018 and are due to be updated by the end of March 2020. ENA wishes to contract a consultant to work with the Gas and Electricity Networks via ENA, as well as engage with industry stakeholders, to revise the Innovation Strategies.

The consultant will be expected to work with the Electricity Innovation Managers (IM) and Gas & Innovation Governance (GIGG) working groups within the ENA. The ENA project team overseeing the update of the Gas and Electricity Network Innovation Strategies will consist of ENA and its Member Companies.

2. Background

All gas and electricity, distribution and transmission licence holders in Great Britain regulated under the RIIO framework are required to produce a joint gas and joint electricity network innovation strategy. These licence conditions were added in 2017 with the first joint innovation strategies being published in March 2018. As per the licence condition, networks are required to update the innovation strategies every two years.

The relevant licence conditions are:

- Gas Transmission: Standard Special Condition A28. Gas Network Innovation Strategy
- Gas Distribution: Standard Special Condition A28. Gas Network Innovation Strategy
- Electricity Transmission: Condition B16. Electricity Network Innovation Strategy
- Electricity Distribution: Condition 48A. Electricity Network Innovation Strategy

Although the licence conditions are to produce separate gas and electricity network innovation strategies, the networks would like the revised strategies to capture innovation focus areas across the gas and electricity networks. Therefore, one of the main requirements of this piece of work will be to produce a common 'whole energy systems' section for inclusion in both the gas and electricity network innovation strategies. In addition to this, the strategies should also be updated to reflect any changes to the sector specific innovation challenges, currently level of innovation, priorities and timelines which have occurred since the original strategies were published.

2.1 Related Work

The current strategies are available at the following links:

- [Gas Network Innovation Strategy](#)
- [Electricity Network Innovation Strategy](#)

The Individual Networks have produced their own Innovation Strategies and reports, which should be taken into account in the update of the ENA Strategies.

1. [Cadent](#)
2. [Electricity North West](#)
3. [National Grid Gas Transmission](#)
4. [National Grid Electricity Transmission](#)
5. [National Grid ESO](#)
6. [Northern Gas Networks](#)
7. [Northern Powergrid](#)
8. Scottish & Southern Electricity Networks
 - [Transmission](#)
 - Distribution
9. [SGN](#)
10. [SP Energy Networks](#)
11. [UK Power Networks](#)
12. [Wales and West Utilities](#)
13. [Western Power Distribution](#)

3. Scope of Services

The chosen consultant will be expected to work with ENA to update the gas and electricity network innovation strategies, as well as the associated activities to support this as described below.

3.1.1 Drafting

The consultant is expected to produce the revised innovation strategies and obtain feedback from the Networks and external stakeholders over several iterations. The consultant will be responsible for:

- Review existing ENIS, GNIS and individual Networks' Innovation Strategies as described in 2.1.
- Liaising with individual member companies to establish any changes in priorities
- Aligning the structure of the GNIS and ENIS documents
- Aligning the structure of the GNIS and ENIS documents, and ensure coherence with the following Ofgem output categories:
 - Maintain a safe & resilient network
 - Meet the needs of consumers and network users
 - Deliver an environmentally sustainable network
- Review and align sections on:
 - Overview of funding
 - Delivering benefits from innovation
 - Collaboration and coordination of activities
 - How to get involved
 - Dissemination of learning
- Drafting to make terminology common between both reports where appropriate

- Update strategies to reflect new projects delivered over the last two years
 - This includes reviewing data extracted from the Smarter Networks Portal (<https://www.smarternetworks.org/>) and assigning it to agreed themes for all LCNF, NIA and NIC innovation projects in the portal
- Update strategies to reflect changes as a result of the stakeholder engagement (consultation and workshops)
- Addition of new 'Whole Energy Systems' section (see 3.1.2)

Although some of the drafting activities can be done prior to the online consultation and workshops, the consultant will need to work with the networks to agree how the strategies should be updated based on the feedback received.

The final output is to be a document that is of equal standard, tone and presentation to the existing ENIS & GNIS. The consultant should include all design and digital media related costs in developing the final output.

3.1.2 Whole Energy Systems

A new common chapter on whole energy systems will be included in each of the ENIS and GNIS. Where the ENIS previously set the scene of the strategy by describing electricity industry trends, these should be replaced with narrative around the wider energy industry trends and be covered in this new chapter. There should also be a description of the cross vector themes and associated challenge categories. As this content was not consulted on last year, this should be drafted ahead of the online consultation so that stakeholders can provide input on what they see as the challenges in this area.

The consultant is expected to create a new chapter on whole systems including:

- Overview of Energy Industry drivers. These should be framed in the context of the 3 focus areas from the Ofgem Sector Specific Methodology:
 - Maintain a safe & resilient network
 - Meet the needs of consumers and network users
 - Deliver an environmentally sustainable network
- Themes and challenges, including currently level of innovation, future opportunity and associated timelines:
 - To be developed in collaboration with GIGG and IM
 - To be consulted on in the online consultation and workshops
- Reference to forward looking innovation:
 - Describing the industry change and business transformation taking place
 - Signpost wider strategic projects including Open Networks and Gas Pathways
- How the Gas & Electricity Networks collaborate

3.1.3 Stakeholder engagement

There will be two stages of stakeholder consultation, which will be common to both Gas & Electricity. First, there will be an online consultation to obtain stakeholder feedback on how the priorities and timelines from the existing strategies have changed. During this consultation, stakeholders will also have an opportunity to share their views on the newly drafted whole energy systems section including the associated challenges and timelines as discussed above. The consultant should produce a single online consultation (e.g. Google Form) for both gas and electricity, which gives stakeholders the ability to skip through sections that are not relevant to them. Where possible, questions should be asked in non-free text form (e.g. multi-choice or sliders) to enable quick and easy interpretation of the feedback.

The consultant is expected to run the online consultation including:

- Drafting online consultation (including meeting with members)
- Hosting the online consultation (e.g. Google Form)
- Setting up and hosting two 1-2 hour webinars to disseminate the content of the consultation and obtain verbal feedback from those who do not have time to fill in the forms
- Providing a summary document of the online consultation responses, including analysis of respondents and their answers and responses
- Providing recommendations for how the strategies are to be updated based on the feedback received
- Once agreed with ENA and its Members, making the recommended changes in the GNIS and ENIS accordingly

The second stakeholder consultation activity is a series of in-person workshops. The purpose of the workshops is to obtain feedback from stakeholders on the new whole energy systems section and the updated areas of the revised strategies (e.g. the things which have changed). It is up to the consultant to define the final agenda, but initial thinking is that the morning of these workshops could focus on whole energy systems topics with all attendees, before breaking into separate electricity and gas groups in the afternoon to focus on the changes/proposals for their respective strategies. The format of the workshops should be interactive and engaging to customers, and not purely dissemination based.

The consultant is expected to organise stakeholder workshops as follows:

- Preparing workshop material, including agenda, format and any briefing documentation
- Organising and hosting 2 interactive workshops:
 - London: To be held at ENA Office
 - Glasgow: Consultant to arrange a suitable venue (to be included in the costs)
- Summary of workshop (including minutes and actions) and recommended changes to the ENIS and GNIS
- Once agreed with ENA and its Members, making the recommended changes in the GNIS and ENIS accordingly

Ofgem is also a key stakeholder in this process and more regular engagement with them will be scheduled throughout the strategy development process. While the consultant may be required to participate in regular catch up meetings, these will be coordinated by ENA and the chairs of GIGG and the IM Working Group.

3.1.4 Publishable material

Following the stakeholder workshops, the consultant is expected to produce the following drafts in order to finalise the documents, according to the timeline stipulated in 3.2.

- Draft sections for workshops
 - Updated sections based on Member and Consultation feedback should be produced and be ready to be presented at the Stakeholder Workshops, including the Whole Energy Systems chapter
- First full draft
 - Shared for ENA, GIGG, IM and Ofgem to review following the stakeholder workshops once all feedback to that point has been incorporated.
- Second full draft

- Shared for ENA, GIGG, IM and network representatives for internal review once all feedback on the first draft has been incorporated
- Final draft
 - Shared with the networks for internal approval and authorisation to publish and including interesting and eye-catching infographics

The consultant should also allow time for several iterations during the generation of the 'glossy' to allow review of the infographics, pictures and final publishable report (e.g. proof reading, graphic design etc). Infographics from the report are expected to be visually appealing and able to be posted stand-alone on social media and in presentations.

The consultant will be responsible for producing the following material to a publishable standard. As an optional extra to the tender submission, the consultant should also indicate the cost per unit for printing the Gas and Electricity Network Innovation Strategies as well as the summary document, assuming volumes of between 500 to 1000 copies per document.

- Publishable Gas Network Innovation Strategy (GNIS) ~50 pages
- Publishable Electricity Network Innovation Strategy (ENIS) ~50 pages
- Publishable ENA Innovation Summary Document ~15 pages. This is to include:
 - Common Whole Energy System chapter from GNIS and ENIS
 - High-level summary of themes from GNIS and ENIS
 - High-level summary of other common sections, e.g. collaboration, dissemination

The consultant is expected to correct any minor issues (e.g. typos) following publication of the strategies for up to 6 months.

3.2 Programme of Work

The selected consultant will be required to work to the following timeline. Due to the requirement to publish the strategy by the end of March 2020, there is very little flexibility in this timeline. The consultant should keep this in mind when developing their proposal as there will be no option to extend/modify these dates.

Task	Start	End	Days	Owner
Online Consultation				
Kick off meeting with GIGG/IM	01-Oct			All
Draft consultation material	02-Oct	16-Oct	15	Consultant
Review and approve consultation material	17-Oct	25-Oct	9	All
Update consultation material	28-Oct	05-Nov	9	Consultant
Final approval of consultation material	06-Nov	08-Nov	3	ENA
Online Consultation on Innovation Strategies	11-Nov	09-Dec	29	Consultant
Webinar on Innovation Strategy Consultation (2 hours)	15-Nov			All
Webinar on Innovation Strategy Consultation (2 hours)	22-Nov			All
Produce consultation summary	09-Dec	13-Dec	5	Consultant
IM/GIGG Meeting	17-Dec			All
Stakeholder Workshops				
Prepare workshop material	23-Dec	08-Jan	17	Consultant
First draft of Strategies	23-Dec	24-Jan	33	Consultant
Review workshop material	08-Jan	10-Jan	3	All

Task	Start	End	Days	Owner
Finalise workshop material	13-Jan			Consultant
Glasgow Stakeholder Workshop	14-Jan			All
Webinar (2 hours)	17-Jan			All
London Stakeholder Workshop	22-Jan			All
Produce workshop summary	22-Jan	24-Jan	8	Consultant
Review workshop summary and agree changes	27-Jan	31-Jan	5	Networks
Drafting				
Finalise first draft	03-Feb	07-Feb	5	Consultant
Review first draft	10-Feb	14-Feb	5	Networks
GIGG/IM Meeting	TBC			All
Produce second draft	17-Feb	21-Feb	5	Consultant
Review second draft (internal review)	24-Feb	28-Feb	5	Networks
Produce Final Draft in Publishable Format	02-Mar	13-Mar	12	Consultant
Approve Final Draft (internal approval)	16-Mar	20-Mar	5	Networks
Finalise for publication	23-Mar	27-Mar	5	Consultant
Publish Strategies	31-Mar			Networks

Any request by ENA to vary the agreed Programme of Work or Scope of Services will be evaluated by the Consultant to understand:

- Impact on delivery timescales
- Impact on budget
- Additional resource requirements

The consultant will advise the impact of any proposed variation to the Programme of Work or Scope of Services and the recommended mitigating action(s), for review by the project team. Any resource costs associated with the changes will be submitted to ENA as a variation, and costs should be incurred at the same rates used for development work (i.e. as agreed in the tender submission).

Any significant variation to the Programme of Work, Scope of Services or associated budget should be submitted by the Consultant and approved by the ENA appointed Contract Manager prior to any the additional/revised work commencing. If approved by ENA, ENA will raise or uplift the purchase order to cover any additional costs.

3.3 Communication

All meetings with Members are expected to occur in London or via teleconference, and the consultant's representative(s) will be expected to attend in person where requested by ENA as per the timeline. The Stakeholder Workshops will occur in London and Glasgow. The London Workshop will be hosted by ENA, and hosting will include the provision of venues and catering. The Glasgow Workshop is to be organised by the consultant; venue hire and catering should be included in the tender submission costs. Agendas for workshops and meetings will be prepared and distributed by the consultant in advance of any workshop or consultant-led meeting, to allow opportunity for comment.

The consultant will be expected to attend periodic catch-up and review meetings with the project team, as specified in the timeline. This will be in person or via teleconference as appropriate.

Ongoing interaction with the project team will be via email, phone, meetings and teleconference as and when required. Email communication will be managed to ensure that it is relevant and does not place an unnecessary burden on the nominated contacts. Emails will be concise and will clearly state whether 'For Information' or 'For Action', which will be included in the subject banner or at the top of the email. Where an email requires a response by a particular date then the response date will be highlighted.

We expect that the consultant will meet with Subject Matter Experts within ENA Member companies as part of the development work. The consultant is asked to clearly set out in their proposal what assumptions are being made on any additional meetings or teleconferences with ENA Members and how these are provisioned in any associated costs. The ENA project team will help to co-ordinate any such meetings/teleconferences.

Wherever possible, meetings will be scheduled well in advance to maximise attendance and allow sufficient time for preparation. Where possible, meetings will be timed to take advantage of cheaper off-peak travel fares to minimise costs.

Any actions that arise from meeting or telephone communications will be recorded by the consultant in the form of minutes and emailed to the project team in a timely manner.

Nominated contacts will advise each other of holidays and other occasions when they will not be available for extended periods of time and, where necessary, will advise details of any deputy point of contact.

Communication with parties outside of ENA and its Members will be strictly controlled. All work undertaken as a part of this project is to be considered confidential, and the Project Team will review any communication with Outside Parties on a case-by-case basis. If approved and authorised, the consultant will be briefed not to disclose any sensitive data relating to ENA and/or the Member Companies.

The Project Team will be copied in on communication with Outside Parties as appropriate.

3.4 Reporting

The process for monitoring and reporting progress against the agreed Programme of Work will comprise of the following:

- Regular periodic updates between ENA and the Consultant shall be agreed. These should be in-person or via teleconference. These updates should include:
 - Status of each of the deliverables in the scope
 - Progress against the agreed timeline
 - Financial status of the work
 -
 - Committed expenditure against each element of the scope
 - Forecast expenditure versus committed expenditure for each element of the scope

- Available uncommitted budget

3.5 Quality Assurance & KPIs

3.5.1 Quality Assurance

The consultant will use an approved Quality Assurance process, which is to be implemented on all aspects of the Scope of Works defined in this document. This is to ensure that the quality of outputs remains high, and that all reviews are carried out in a consistent manner. The quality management system will be independently certificated to BS EN ISO 9001 or equivalent.

In addition to the internal QA process of the consultant, the consultant will request the project team and other nominated representatives from ENA and/or the Member Companies to review and comment on any changes they believe are required in any of the deliverables that are to be produced within the Scope of Works.

All changes, comments and queries are to be recorded. A systematic and consistent change management and revision system for all deliverables is to be implemented. In order to minimise the possibility of losing data, any documents being worked on (i.e. reports, document revisions etc.) or other important files will be backed-up to a dedicated and secure location. ENA uses the Huddle File Sharing and Management System. This is an online tool that can be used for sharing of files, multiple working and version control. ENA will make access available to this system, and the consultant is expected to work through Huddle on all documentation required in the Scope of Works.

3.5.2 Key Performance Indicators (KPIs)

The consultant will need to identify measures that the project team can use to assess their performance. These Key Performance Indicators should be submitted in the initial response to this Supplemental Tender.

3.6 Additional Obligations of the Consultant

3.6.1 Key Personnel

The consultant will ensure that services are only provided by those key personnel specified in their response to this procurement call, or provide justification for drawing on other resources. The consultant will provide a suitably competent Project Manager to manage the services and liaise directly with the project team. The Project Manager is expected to be technically competent and very experienced with multi-stakeholder projects.

3.6.2 Data and Information

It will be the responsibility of the consultant to request specific data and information from the ENA or the project team sufficiently in advance of work being carried out.

The consultant will be responsible for ensuring any data and information provided by ENA and its Member Companies is kept securely and is only used for providing these services.

4. Approach

The tender process will be split into two stages.

4.1 Stage 1 – Initial Proposal

As the first stage of the tender, the consultant is asked to provide an initial proposal based on the Scope of Service and Programme of Work described in this document. The initial proposal should include CVs of relevant individuals who will be assigned to the project in order to demonstrate relevant prior experience with networks and multi-stakeholder environments.

4.1.1 Proposal

The consultant is asked to provide a proposal based on the Scope of Services and Programme of Work described in this document. The proposal should not be more than 10 pages including all appendices and should include the following sections as a minimum.

Technical Response

- Clarification of the scope of work, including assumptions and exceptions
- Understanding of the ENIS and GNIS in the context of the wider energy transition
- Understanding of whole energy system (cross-vector) challenges and opportunities
- Relevant prior experience, including CVs of relevant individuals who will be assigned to the project
- Experience working across multiple energy vectors
- Proposals and methodology for delivering the scope of works
- Proposed tools and techniques and why they are best suited to this piece of work
- Proposed approach to extracting knowledge from the project team, Networks and wider industry Stakeholders.
- Evidence of multi-stakeholder engagement
- Proposed approach to turning the ENIS and GNIS into eye-catching ‘glossy’ publishable document
- Experience producing publishable material and infographics to a high standard
- QA processes that will be used for this piece of work
- Risks log

Commercial Response

- Cost Matrix, including resource requirements (allocated person days per submission)
- Expenses associated with the project including but not limited to:
 - Glasgow Workshop and Catering
 - All travel and accommodation expenses
 - Optional printing costs

All responses to the invitation to tender will be scored in Stage 1 on the basis of the Initial Proposal in accordance with the award criteria in Appendix A. Based on the results of this scoring, the project team will shortlist tenderers who will then be taken to Stage 2 for an interview. All de-selection will be at the discretion of ENA and its Members.

4.2 Stage 2 – Interview

Shortlisted consultants will be invited to an interview which will run for up to 60 minutes and include:

- Overview of the project by the project leader
- Consultant’s presentation on their approach to the project and their relevant experience
- Timescales and general questions on the expected outcomes

During the interview, the panel will be looking for the consultant to demonstrate the following:

- Understanding of what is required to deliver the work
- Prior experience on similar work in similar sectors
- Ability to work with multiple stakeholders across gas & electricity
- Understanding of the ‘bigger picture’ and wider industry trends

Following the interviews, shortlisted consultants may be given an opportunity to revise their initial proposals. After the interviews or once the revised proposals have been submitted (if applicable), the final scoring for the shortlisted bidders will be calculated. The final score will be out of 100 as shown in Appendix A and this will determine the winning bidder.

5. Delivery - Timescale

To allow sufficient time for evaluation, contract negotiation, selection and communication of the award of work order, the Consultant is requested to ensure that they can deliver on all of the specified timelines for this tender process.

It should be assumed that there is no flexibility in this timetable, and all costs in tendering and meeting this timetable will be borne by the tenderer.

Task	Time and Date*
Invitation to tender issued	Date: Thursday 15 August 2019
Stage 1: Closing date for bidders to submit queries about the Initial Proposal	Date: Monday 26 August Time: 17:00
Stage 1: Closing date for submission of initial proposal to ENA	Date: Monday 2 September 2019 Time: 18:00
Stage 2: Bidders shortlisted	Date: Friday 6 September 2019
Stage 2: Interviews with shortlisted bidders	Date: Thursday 12 September 2019 Time: TBC
Re-Issue of Proposal (if required) and Award of Contract	Date: 13– 18 September 2019*

* Please be aware that these dates are subject to change at the discretion of ENA.

ENA reserves the right to issue follow-up or supplementary questions during the response period or after receipt of the tenders. Questions will be made available to all tenderers. Similarly if any party submitting a tender has clarification questions during the tender period, these may be submitted to ENA, and ENA will consider them. If the questions are deemed to have significant impact on the tender, ENA will reply to the questions and share the answers with all tenderers.

6. Terms and Conditions

The terms and conditions for the services will be in accordance with the attached ENA T&C's. These are attached in Appendix B and will be applicable to the successful consultant. These should be reviewed as a part of this tender, and any questions/queries on the T&C's should be submitted to ENA prior to any interview (i.e. prior to Stage 2 for any consultants who progress to this stage).

ENA will review any proposed variations to the terms and conditions for the project. These will be documented and must be agreed between ENA and the Consultant before award of work order.

7. Appendices

Appendix A – Award Criteria

Appendix B – ENA Terms and Conditions