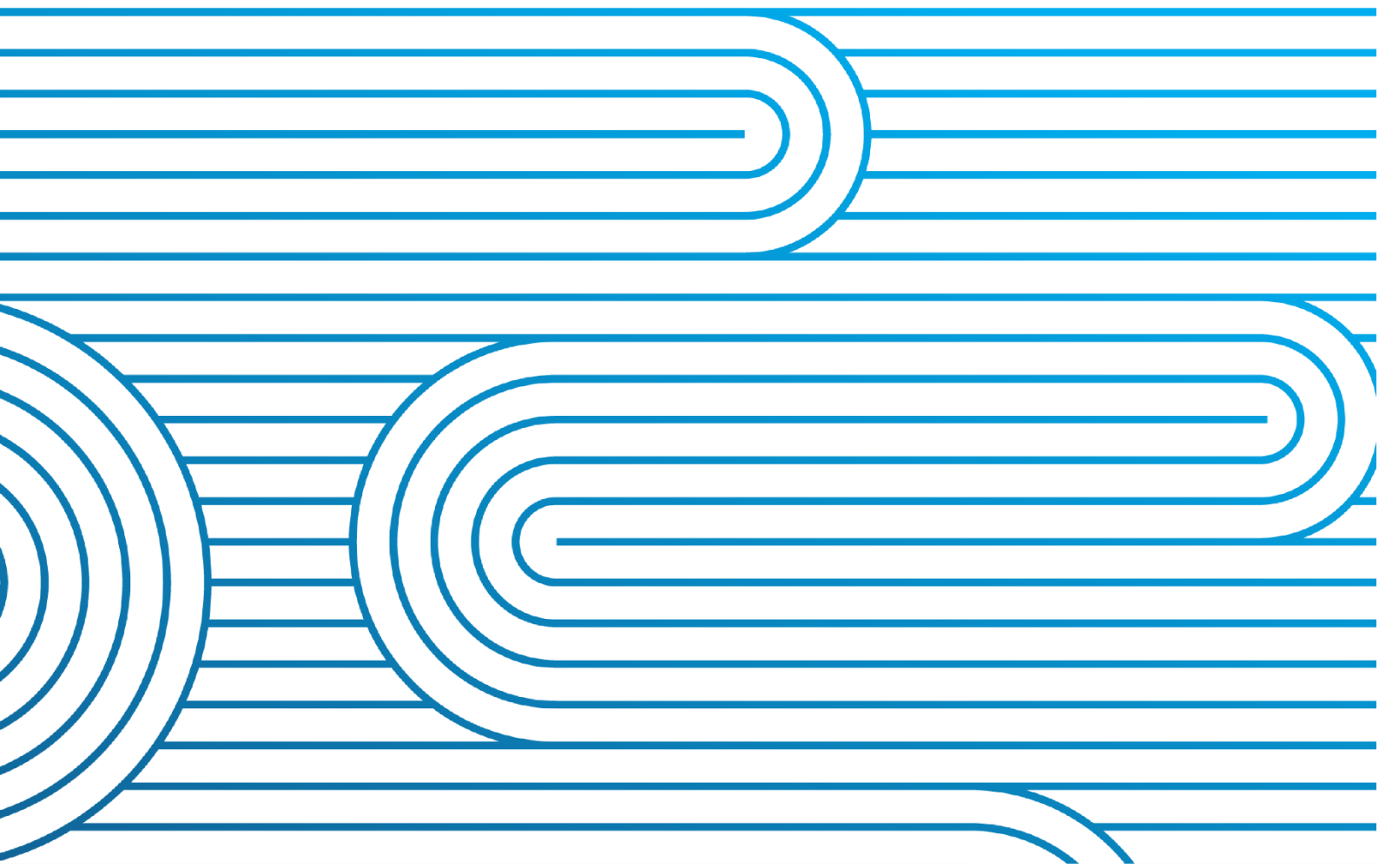


Ancillary Services Tender 2025: Questions and Answers

Tender Date: 21/10/25



This document collates questions and answers from the 2025 ancillary services tender process. It is divided into general questions and ones applicable to different ancillary services.

General

Are the administrative costs in the Procurement Plan billable to ancillary services agents?

Administrative costs, as discussed in paragraphs 57 and 58 of the Procurement Plan, are not billed directly to ancillary service agents. The administrative costs to the System Operator, if any, form part of the allocable cost of the ancillary service. The allocable costs also include the amounts paid to ancillary service agents for provision of the ancillary services. Allocable costs are collected by the clearing manager from the relevant party(/ies), which may be Transpower (as the HVDC owner), purchasers and/or generators, depending on the ancillary service.

In other words, administrative costs are collected alongside the other costs of providing the ancillary service and are not invoiced by the System Operator directly.

Can we still submit a tender if we do not have all requested information that has been required in the schedule appendices?

If you do not currently have all the data requested, please submit your tender with the data you do have available, and state the date when you will be able to provide the rest of the data.

Instantaneous Reserve

Does the amended clause 3.2 of the Instantaneous Reserve Schedule apply exclusively to IR equipment directly armed for AUFLS, and not to controlled hot water load connected to feeders armed for AUFLS? The latter is the common practice and managed by arming additional feeders to offset any IL on the armed feeders.

The intent of these updates is to ensure the reliable and efficient provision of both Instantaneous Reserve (IR) and Automatic Under-Frequency Load Shedding (AUFLS). The updates reflect both existing obligations under the current ancillary services procurement contracts and the Code as well as [recent changes made to the procurement plan](#) (see Clauses B58 - B60). We have included these changes in the contracts to provide consistency between the ancillary services documentation and to draw attention to the Code obligations. We do not believe any additional obligations or restrictions have been placed on the ancillary services agents by the inclusion of these updates.

The existing Code obligations require:

- the connected asset owner (EDB) to calculate demand net of Interruptible Load (IL) (Sch. 8.3 Technical Code B cl. 7(7)), and
- Ancillary Service Agents providing IL to inform the connected asset owner (EDB) of the details of the IL on their network (Part 8 cl. 8.54B).

In combination with Sch. 8.3 Technical Code B cl. 7(17), these obligations are designed to ensure AUFLS provisions requirements are met. Through the provisions within the ancillary service procurement contracts, the System Operator seeks to ensure the product they are procuring will deliver as required and as paid for. This is an obligation on the System Operator and is not unreasonable.

Submitters appear to have misinterpreted aspects of the changes believing the changes to be more impactful than they are. Specifically, the impact of paragraph 3.2 is limited by only applying to 'IR equipment' which is all equipment used to provide instantaneous reserve, which may include load sources and their control equipment. IL would only be excluded from participation if the IR equipment was also the delivery mechanism for AUFLS or another demand response scheme. For example, if a connected asset owner provides AUFLS by arming relays on distribution feeders IL could be provided from load on that feeder if the 'IR equipment' used to deliver the IL was distinct to the AUFLS relay on the feeder.

The impact of paragraph 3.2 is also limited to a trading period by trading period assessment not in perpetuity. In this way they are no more onerous than the Code obligations around the accuracy of IR offers. Again, this is not unreasonable, physical delivery is a key requirement of all ancillary services.

How should we fill out the “maximum size of individual installation” within Response Form B (IR)?

This is only relevant for small scale aggregated BESS. For all other technologies, this can be left blank.

Can the same contact details be used in tables 8 and 9 of Response Form B (IR)?

One set of contact details may be provided to cover all units and all functions (submit, revise and cancel reserve offers, and carry out dispatch instructions) if appropriate. This is likely to be suitable in the case of a control room which is manned 24/7 for example. However, please note the requirement under the contracts for personnel to be contactable and trained in accordance with good industry practice to carry out the relevant duties. If providing contact details for an individual staff member, we would strongly recommend providing multiple sets of contact details to ensure the duties can be carried out even if that individual is not contactable for any reason.

Frequency Keeping

Why is the high-frequency data capture regime necessary in the context of demonstrating performance for MFK and BUSFK?

This is not a new requirement, so if you are an existing contract holder, you should already be complying with the data capture requirements for multiple frequency keeping (MFK) and backup single frequency keeping (BUSFK). If there are any issues with this, please get in touch with us to discuss.

The System Operator requires this level of data capture to adequately assess frequency keeping, as frequency keeping requires a fast-acting response and high frequency data ensures that we can monitor the response. The accuracy requirement ensures that the response is correct.

Why has the testing frequency for MFK been amended from 4-yearly to 6-monthly? We have concerns about the operational viability of this increase in testing frequency. While we acknowledge that Clause 8.2 provides some flexibility, the reduction in interval by a factor of eight appears excessive and may impose an undue burden.

The change that was made to the testing schedule formed part of the procurement plan consultation in May this year. See here for full consultation documentation: [Invitation to Comment: Draft Ancillary Services Procurement Plan 2025 \(Closed\) | Transpower](#). Meridian submitted on Black Start changes but not on the changes to Frequency Keeping.

The intent of this new testing regime is that units which are regularly providing MFK should not require any further testing but units that are not offering or are offline for a 6-month period should be re-tested. The testing for MFK is simply to test the regulation signal and record the monitoring signals so these tests should not impose any undue burden as they mimic standard MFK dispatch and monitoring, with the exception of the provision of the data to the System Operator.

Could you clarify the phrase “to the reasonable satisfaction of the System Operator”, which introduces a level of subjectivity that may lead to inconsistent interpretations? We would equally appreciate the inclusion of objective criteria to ensure transparency and fairness in the application of this clause.

The System Operator procures Frequency Keeping to assist with the frequency management Principal Performance Obligations (PPOs) the System Operator must deliver. The System Operator must be sure that the provision of Frequency Keeping is adequate for the role it is designed to play in the suite of tools which manage system frequency as part of maintaining system security. Consequently, we are asking for the monitoring data which is captured under clause 6.2 to ensure oversight of the delivery of this service. The performance standards that are used to benchmark the Frequency Keeping are set out in the contracts.

What is the intent behind the change in wording from “or” to “and” in relation to the MFK service requirements? Specifically, it now appears that each site/block must both provide MFK services, and be dispatched at least once every six months, and demonstrate this with supporting data.

The changes we made to this clause (and clause 8.1 of the MFK Schedule) are:

- the removal of 8.1(b) which is now in clause 8.4
- the addition of the phrase “to the reasonable satisfaction of the System Operator” to clause 8.2, and
- the change from four yearly testing to six monthly testing in clause 8.1.

Each site/block must conduct a test under clause 8.1 unless they have been dispatched for MFK (clause 8.2) in the previous six months and have provided the System Operator with the data to demonstrate this.