

SCHEDULE 2 - EXHIBIT 5

DATED [_____]

~~NATIONAL ENERGY SYSTEM OPERATOR LIMITED~~~~NATIONAL GRID ELECTRICITY~~~~SYSTEM~~
~~OPERATOR LIMITED~~ (1)

and

[_____] (2)

THE CONNECTION AND USE OF SYSTEM CODE

BELLA

[EMBEDDED EXEMPTABLE LARGE POWER STATION WHICH IS SMRS REGISTERED]

At [_____]

Reference:[_____]

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THIS **BELLA** is made on the [] day of [] 20[].

BETWEEN

- (1) ~~National Energy System Operator Limited~~ a ~~The company registered in England with number 11014226 whose registered office is St Catherine's Lodge, Bearwood Road, Sindlesham, Berkshire RG41 5BN~~ **NATIONAL GRID ELECTRICITY SYSTEM OPERATOR LIMITED** a company registered in England with number 11014226 whose registered office is at 1-3 Strand, London WC2N 5EH ("The Company", which expression shall include its successors and/or permitted assigns); and
- (2) [] a company registered in [] with number [] whose registered office is at [] ("User", which expression shall include its successors and/or permitted assigns).

WHEREAS

- (A) Pursuant to the ~~Transmission ESO~~ Licence, The Company is required to prepare a Connection and Use of System Code (**CUSC**).
- (B) The User has applied in the capacity of an **EELPS** whose **Boundary Point Metering System** is [to be] registered in **SMRS** or in **CMRS** by a User who is responsible for the **Use of System Charges** associated with the **BM Unit** [to be] registered in **CMRS**.
- (C) The User has made a **BELLA Application** and The Company is required to make a **BELLA Offer** in accordance with Paragraph 1.5.2 of the **CUSC**.
- (D) This **Offer** has been made on the basis of the **Connect and Manage Arrangements**.

NOW IT IS HEREBY AGREED as follows:

1. DEFINITIONS, INTERPRETATION AND CONSTRUCTION

Unless the subject matter or context otherwise requires or is inconsistent therewith, terms and expressions defined in Section 11 of the **CUSC** have the same meanings, interpretations or constructions in this **BELLA** and the following term(s) shall have the meaning(s) set out below:

DNO	name address and registered number of owner/operator of the distribution network to which user is to connect.
DNO Construction Agreement	the agreement between The Company and the DNO for Transmission Reinforcement Works as a consequence of the User's connection to the Distribution System .
Enabling Works	those elements of the Transmission Reinforcement

	Works which are required to be completed prior to the User's Equipment being Energised and specified in Appendix H Part 1.
Notice of Reduction	the notice of that name given by The Company to the DNO and the User pursuant to Clause 7 of the DNO Construction Agreement .
Notice of Reduction Effective Date	the date the amendments proposed by the Notice of Reduction take effect.
Transmission Reinforcement Works	those works which in the reasonable opinion of The Company are necessary to extend or reinforce the National Electricity Transmission System as a consequence of the User's Equipment being Energised specified in Appendix H.
User's Capacity	the MW [export] figure specified in the User's Data .
User's Data	the data submitted by the User and set out in Appendix A to the BELLA against which the effect on the National Electricity Transmission System of the User's connection to the Distribution System has been assessed.
Wider Transmission Reinforcement Works	those elements of the Transmission Reinforcement Works which are not required to be completed prior to the User's Equipment being Energised and specified in Appendix H Part 2.

2. CONDITIONS PRECEDENT AND COMMENCEMENT

2.1 The rights and obligations of the **User** and **The Company** pursuant to this **BELLA** are subject to the following conditions precedent having been fulfilled before such rights and obligations arise:

2.1.1 the **User** having provided (in a form reasonably satisfactory to **The Company**) proof of having entered into a **Distribution Agreement** with the owner/operator of the **Distribution System**; and

2.1.2 of the acceptance by the owner/operator of the **Distribution System** of any necessary **Modification Offer** relevant to the **Embedded Power Station**;

2.1.3 **The Company** and / or the **Users** as appropriate having received the derogations [if any] required in respect of the Grid Code.

- 2.2 If the conditions precedent have not been fulfilled, in the case of 2.1.1 and 2.1.3 within 6 months of the date hereof, and in the case of 2.1.2 within 3 months of the date of receipt by the owner/operator of the **Distribution System** of the **Modification Offer**, **The Company** or the **User** may rescind this **BELLA** by giving to the other notice to that effect in which event all rights and liabilities of the parties hereunder and under the **CUSC** in relation to this **Embedded Power Station** shall cease.
- 2.3 This **BELLA** shall commence on [].
- 2.4 It is a condition of this **Agreement** that the **Embedded Exemptable Large Power Station** is **SMRS** registered (or **CMRS** registered by a **Supplier**) in the **BSC**. If, at any time the **Embedded Exemptable Large Power Station** ceases to be **SMRS** registered (or **CMRS** registered by a **Supplier**) and becomes **CMRS** registered other than by a **Supplier** then the **User** hereby undertakes to forthwith apply for and enter into a **Bilateral Embedded Generation Agreement**.

3. THE SITE OF CONNECTION TO THE DISTRIBUTION SYSTEM

The site of **Connection** of the **EELPS** to the **Distribution System** to which this **BELLA** relates is more particularly described in Appendix A.

4. OUTAGES

Subject to the provisions of the **Grid Code**, **The Company** and the **User** shall be entitled to plan and execute outages of parts of, in the case of **The Company**, the **National Electricity Transmission System** or **Transmission Plant** or **Transmission Apparatus** and in the case of the **User**, its **System** or **Plant** or **Apparatus**, at any time and from time to time.

5 GRID CODE MATTERS

- 5.1 Paragraph 6.3 of the **CUSC** applies in respect of this **Embedded Exemptable Large Power Station** as amended in accordance with the following provisions of this Clause 5.
- 5.2 The provisions in BC1 and BC2 of the **Grid Code** provide that compliance is only required with such provisions in respect of those **Generating Units** at an **Embedded Exemptable Large Power Station** where **The Company** reasonably requires such compliance and has specified such a requirement in respect of such **Generating Units** in the **BELLA**.
- [5.2 **The Company** and the **User** hereby agree that compliance by the **User** in respect of this **Embedded Exemptable Large Power Station** with the provisions of BC1 and BC2 of the **Grid Code** are reasonably required and therefore the provisions of BC1 and BC2

shall apply and be complied with by the **User** so far as applicable to it. Therefore, the provisions in BC1 and BC2 in respect of **Generating Units** and **Generating Unit Data** shall apply to and be complied with by the **User**. For the purposes of the **Grid Code** the **User** shall be treated as a **BM Participant**.

- [5.2 **The Company** does not require compliance by the **User** in respect of this **Embedded Exemptable Large Power Station** with the provisions of BC1 and BC2]

[Note: which alternative of Clause 5.2 will apply will depend upon whether or not The Company reasonably requires compliance with these Grid Code obligations. Please note that the User has a right to ask the Authority to determine on these matters.]

6. OPERATIONAL NOTIFICATION

Subject to the provisions of Clause 2.1 having been fulfilled, and subject, if **The Company** so requires, to **Enabling Works** [and/or works for any **Modification Offer**] being carried out and to notification by the **User** that the site of connection of the **User's Equipment** to the **Distribution System** is operational, **The Company** shall forthwith notify ("**Operational Notification**") the **User** in writing that it may energise its **Equipment**.

7. COMPLIANCE WITH SITE SPECIFIC TECHNICAL CONDITIONS

- 7.1 The site specific technical conditions applying to the site of **Connection** are set out in Appendices F1 to F5 to this **BELLA** as modified from time to time in accordance with Paragraph 6.9 of the **CUSC**.
- 7.2 **The Company** and the **User** shall operate respectively the **National Electricity Transmission System** and the **User System** with the special automatic facilities and schemes set out in Appendix F3 to this **BELLA**.
- 7.3 The **User** shall ensure that the **User's Equipment** complies with the site specific technical conditions set out in Appendix F4 to this **BELLA**.
- 7.4 The **User** shall use all reasonable endeavours to ensure that the **User's Equipment** shall continue to comply with the site specific technical conditions set out in Appendix F5 of this **BELLA**.
- 7.5 If the **User** or **The Company** wishes to modify alter or otherwise change the site specific technical conditions or the manner of their operation under Appendix F1, F3, F4 or F5 to this **BELLA** this shall be deemed to be a **Modification** for the purposes of the **CUSC**.

8. TERM

8.1 Subject to the provisions for earlier termination set out in **CUSC** and Clause 8.2 below, this **BELLA** shall continue until all of the **User's** equipment is **Disconnected** from the relevant **Distribution System** at the site of **Connection** as provided in Section 5 of **CUSC**.

8.2 This **BELLA** shall terminate on the earlier of

- (a) the **Notice of Reduction Effective Date** where as a result of the **Notice of Reduction** the **User** is no longer an **Embedded Exemptable Large Embedded Power Station**.
- (b) termination of the **DNO Construction Agreement** pursuant to Clause 7.4.10.2 of the **Construction Agreement** and provided that the **Bilateral Connection Agreement** between the **DNO** and **The Company** has, where required by **The Company**, been amended to reflect the fact that the **Developer** is no longer party to a **BELLA** but is a **Relevant Embedded Small Power Station**

9. VARIATIONS

- 9.1 Subject to 9.2, 9.3 and 9.4, no variation to this **BELLA** shall be effective unless made in writing and signed by or on behalf of both **The Company** and the **User**.
- 9.2 **The Company** and the **User** shall effect any amendment required to be made to this **BELLA** by the **Authority** as a result of a change in the **CUSC**, the ESO Licence or the **Transmission Licence**, an order or direction made pursuant to the **Act** or a **Licence**, or as a result of settling any of the terms hereof. The **User** hereby authorises and instructs **The Company** to make any such amendment on its behalf and undertakes not to withdraw, qualify or revoke such authority or instruction at any time.
- 9.3 If it is necessary for **The Company** or **The Company** in its reasonable discretion wishes to make any addition to or omission from or amendment to the **Transmission Reinforcement Works**, Appendix H shall be automatically amended to reflect the change.
- 9.4 Appendix A shall be automatically amended to reflect any **Notice of Reduction** on the **Notice of Reduction Effective Date**

10. RESTRICTIVE TRADE PRACTICES ACT

Any restriction or information provision (as each of those terms are defined or construed in Section 43(1) of the Restrictive Trade Practices Act 1976) contained in this **BELLA** shall not take effect or shall cease to have effect:

- 10.1.1 if a copy of this **BELLA** is not provided to the Department of Trade and Industry (“DTI”) within 28 days of the date of this; or
- 10.1.2 if, within 28 days of the provision of that copy to the **DTI**, the **DTI** gives notice of objection to the party providing it.

11. GENERAL PROVISIONS

Paragraph 6.10, Paragraphs 6.12 to 6.26 and Paragraph 6.38 of the **CUSC** are incorporated into this **BELLA** *mutatis mutandis*.

12. WIDER TRANSMISSION REINFORCEMENT WORKS

The Company shall keep the **User** informed as to its progress on the **Wider Transmission Reinforcement Works**.

IN WITNESS WHEREOF the hands of the duly authorised representatives of the parties hereto at the date first above written

SIGNED BY)

[name])

for and on behalf of)

~~National Energy System Operator Limited~~~~National~~~~Grid Electricity System Operator~~
~~Limited~~)

SIGNED BY)

[name])

for and on behalf of)

[User])

APPENDIX A

THE SITE OF CONNECTION AND USER'S DATA

SITE[s] OF CONNECTION

Company:

Site[s] of Connection:

Size of Power Station:

Owner[s] / Operator[s] of Distribution System:

[Insert details equivalent to data listed in part 1 of the planning code]

Anticipated date when Power Station's connection to\use of the Distribution System will be energised.

APPENDIX F1

SITE SPECIFIC TECHNICAL CONDITIONS:

AGREED BALANCING SERVICES

APPENDIX F2

[NOT USED]

APPENDIX F3

SITE SPECIFIC TECHNICAL CONDITIONS:

SPECIAL AUTOMATIC FACILITIES

APPENDIX F4

SITE SPECIFIC TECHNICAL CONDITIONS: PROTECTION

AND CONTROL RELAY SETTINGS

FAULT CLEARANCE TIMES

APPENDIX F5

SITE SPECIFIC TECHNICAL CONDITIONS:

OTHER

APPENDIX H

TRANSMISSION REINFORCEMENT WORKS

END OF SCHEDULE 2 - EXHIBIT 5