

CUSC - SECTION 11

INTERPRETATION AND DEFINITIONS

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SECTION 11

INTERPRETATION AND DEFINITIONS

11.1 INTRODUCTION

This Section sets out general rules to be applied in interpreting the **CUSC**, **Bilateral Agreements**, **Construction Agreements** and **Mandatory Services Agreements**. It also sets out the defined terms used by the **CUSC** (other than those defined elsewhere in the **CUSC**) and other agreements. Those other agreements may, in accordance with Paragraph 11.2.2, have their own further interpretation rules and defined terms which apply only to the individual agreements.

11.2 INTERPRETATION AND CONSTRUCTION:

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11.2.1 In the **CUSC** and in each **Bilateral Agreement** and in each **Mandatory Services Agreement** and each **Construction Agreement**:

- (a) the interpretation rules in this Paragraph 11.2; and
- (b) the words and expressions defined in Paragraph 11.3,

shall, unless the subject matter or context otherwise requires or is inconsistent therewith, apply.

11.2.2 Save as otherwise expressly provided in the **CUSC**, in the event of any inconsistency between the provisions of any **Bilateral Agreement**, **Mandatory Services Agreement** or **Construction Agreement** and the **CUSC**, the provisions of the **Bilateral Agreement** or **Mandatory Services Agreement** or **Construction Agreement** shall prevail in relation to the **Connection Site** which is the subject thereof to the extent that the rights and obligations of **Users** not party to that **Bilateral Agreement**, **Mandatory Services Agreement** or **Construction Agreement** are not affected.

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11.2.3 If in order to comply with any obligation in the **CUSC**, any **Bilateral Agreement** or any **Construction Agreement** any **CUSC Party** is under a duty to obtain the consent or approval (including any statutory licence or permission) ("the **Consent**") of a third party (or the **Consent** of another **CUSC Party**) such obligation shall be deemed to be subject to the obtaining of such **Consent** which the **CUSC Party** requiring the **Consent** shall use its reasonable endeavours to obtain including (if there are reasonable grounds therefor) pursuing any appeal in order to obtain such **Consent**.

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- 11.2.4 If such **Consent** is required from any **CUSC Party** then such **CUSC Party** shall grant such **Consent** unless it is unable to do so or it would be unlawful for it to do so provided that such grant by such **CUSC Party** may be made subject to such reasonable conditions as such **CUSC Party** shall reasonably determine.
- 11.2.5 For the avoidance of doubt if the **CUSC Party** who is under a duty to obtain such **Consent** fails to obtain such **Consent** having complied with this Paragraph 11.2 the obligation on that **CUSC Party** (in relation to which such **Consent** is required) shall cease.
- 11.2.6 In the **CUSC** and in each **Bilateral Agreement** and in each **Mandatory Services Agreement** and each **Construction Agreement**:
- (a) unless the context otherwise requires all references to a particular Paragraph, Part, Section, Schedule or Exhibit shall be a reference to that Paragraph, Part, Section, Schedule or Exhibit in or to the **CUSC** and all references to a particular Appendix shall be a reference to that Appendix to a **Bilateral Agreement** or **Mandatory Services Agreement** or **Construction Agreement** (as the case may be);
 - (b) a table of contents and headings are inserted for convenience only and shall be ignored in construing the **CUSC** or a **Bilateral Agreement**, **Construction Agreement** or **Mandatory Services Agreement** as the case may be;
 - (c) references to the words “include” or “including” are to be construed without limitation to the generality of the preceding words;
 - (d) unless the context otherwise requires any reference to an Act of Parliament or any part or section or other provision of or schedule to an Act of Parliament shall be construed, at the particular time, as including a reference to any modification, extension or re-enactment thereof then in force and to all instruments, orders or regulations then in force and made under or deriving validity from the relevant Act of Parliament; and
 - (e) references to the masculine shall include the feminine and references in the singular shall include the plural and vice versa and words denoting persons shall include any individual, partnership, firm, company, corporation, joint venture, trust, association, organisation or other entity, in each case whether or not having separate legal personality.

11.3 DEFINITIONS

The following terms shall have the following meanings:

“Accession Agreement”	an agreement in or substantially in the form of Exhibit A to the CUSC whereby an applicant accedes to the CUSC Framework Agreement ;
“Acceptance Volume”	as defined in the Balancing and Settlement Code ;
“Act”	the Electricity Act 1989;
“Active Power”	the product of voltage and the in-phase component of alternating current measured in units of watts and standard multiples thereof i.e. 1000 watts = 1kW 1000 kW = 1MW 1000 MW = 1GW 1000 GW = 1TW;
“Actual Amount”	as defined in Paragraph 3.12;
“Additional Scheduling Data”	as defined in the Grid Code on the day prior to the NETA Go-live Date ;
“Affected User”	as defined in Paragraph 6.9.3.2;
“Affected User Modification”	as defined in Paragraph 6.9.3.2;
“Affiliate”	in relation to <u>the System Operator</u> (and in relation to Paragraphs 6.14 and 8A.4.2.2, any User) means any holding company or subsidiary of <u>the System Operator</u> (or the User as the case may be) or any subsidiary of a holding company of <u>the System Operator</u> (or the User as the case may be), in each case within the meaning of sections 736, 736A and 736B of the Companies Act 1985 as substituted by section 144 of the Companies Act 1989;
“Agency Business”	any business of <u>the System Operator</u> or any Affiliate or Related Undertaking in the purchase or other acquisition or sale or other disposal of electricity as agent for any other Authorised Electricity

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	Operator;	
"Agreed Ancillary Services"	Part 2 System Ancillary Services and Commercial Ancillary Services;	
"Alternate Members"	persons appointed as such pursuant to Paragraph 8.6.2;	
"Alternative Amendment"	as defined in Paragraph 8.20.2;	
"Amendment Procedures"	the procedures for the amendment of the CUSC (including the implementation of Approved Amendments) as set out in Section 8;	
"Amendment Process"	the part of the Amendment Procedures relating to consideration by the Amendments Panel and Working Groups , consultation by <u>the System Operator</u> and preparation of an Amendment Report by <u>the System Operator</u> ;	<div>Deleted: NGC</div> <div>Formatted</div> <div>Deleted: NGC</div> <div>Formatted</div>
"Amendment Proposal"	a proposal which is not rejected pursuant to Paragraphs 8.15.3 or 8.15.4;	
"Amendments Panel"	the body established and maintained pursuant to Paragraph 8.2;	
"Amendment Register"	as defined in Paragraph 8.12.1;	
"Amendment Report"	a report prepared pursuant to Paragraph 8.20;	
"Ancillary Services"	System Ancillary Services and/or Commercial Ancillary Services as the case may be;	
"Ancillary Services Agreement"	an agreement between <u>the System Operator</u> and a User or other person to govern the provision of and payment for one or more Ancillary Services , which term shall include without limitation a Mandatory Services Agreement ;	<div>Deleted: NGC</div> <div>Formatted</div>
"Annual Average Cold Spell (ACS) Conditions"	a particular combination of weather elements which gives rise to a level of peak Demand within a <u>Financial Year</u> which has a 50% chance of being exceeded as a result of weather variation	<div>Deleted: n</div> <div>Deleted: NGC</div>

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"Apparatus"	all equipment in which electrical conductors are used, supported or of which they may form a part	
"Applicant"	a person applying for connection and/or use of system under the CUSC ;	
"Applicable CUSC Objectives"	as defined in the System Operator Transmission Licence ;	Deleted:
"Approved Amendment"	as defined in Paragraph 8.20.5;	
"Approved Credit Rating"	a short term debt rating of not less than A1 by Standard and Poor's Corporation or a rating not less than P1 by Moody's Investor Services, or a long term rating which correlates to those short term ratings, or an equivalent rating from any other reputable credit agency approved by the System Operator ; or such other lower rating as may be reasonably approved by the System Operator from time to time;	Deleted: NGC Formatted Deleted: NGC Formatted
"Authorised Electricity Operator"	any person (other than the System Operator in its capacity as operator of the Transmission System) who is authorised to generate, participate in the transmission of , distribute or supply electricity and for the purposes of [Standard Condition C7] of the System Operator Transmission Licence shall include any person who has made application to be so authorised which application has not been refused and any person transferring electricity to or from England and Wales across an interconnector or who has made application for use of interconnector which has not been refused;	Deleted: NGC Formatted Deleted: NGC Formatted Deleted: NGC Deleted: transmit Formatted
"Authorised Recipient"	in relation to any Protected Information , means any Business Person who, before the Protected Information had been divulged to him by the System Operator or any Subsidiary of the System Operator , had been informed of the nature and effect of Paragraph 6.15.1 and who requires access to such Protected Information for the proper performance of his duties as a Business Person in the	Deleted: NGC Formatted Deleted: NGC Formatted

	course of Permitted Activities ;	
“Authority”	the Director General of Electricity Supply appointed for the time being pursuant to section 1 of the Act or, after the coming into force of section 1 of the Utilities Act 2000, the Gas and Electricity Markets Authority established by that section	
“Back Stop Date”	in relation to an item of Derogated Plant , the date by which it is to attain its Required Standard , as specified in or pursuant to the relevant Derogation ;	
“Balancing and Settlement Code” or “BSC”	as defined in the <u>System Operator Transmission Licence</u> ;	Formatted
“Balancing Code” or “BC”	as defined in the Grid Code ;	
“Balancing Mechanism”	as defined in the <u>System Operator Transmission Licence</u> ;	
“Balancing Services”	as defined in the <u>System Operator Transmission Licence</u> ;	
“Balancing Services Activity”	as defined in the <u>System Operator Transmission Licence</u> ;	
“Balancing Services Agreement”	an agreement between <u>the System Operator</u> and a User or other person governing the provision of and payment for one or more Balancing Services ;	Deleted: NGC Formatted
“Balancing Services Use of System Charges”	the element of Use of System Charges payable in respect of the Balancing Services Activity ;	
“Balancing Services Use of System Reconciliation Statement”	as defined in Paragraph 3.15.1	
“Bank Account”	a separately designated bank account in the name of <u>the System Operator</u> at such branch of Barclays Bank PLC, or such branch of any other bank, in the City of London as is notified by <u>the System Operator</u> to the User , bearing interest from (and including) the date of deposit of principal sums to (but excluding) the date of withdrawal of principal sums from such account, mandated for withdrawal of	Deleted: NGC Formatted Deleted: NGC Formatted

	principal solely by <u>the System Operator</u> against delivery of a Notice of Drawing for the amount demanded therein and mandated for the transfer of any interest accrued to the Bank Account to such bank account as the User may specify;	Deleted: NGC Formatted
"Base Rate"	in respect of any day, the rate per annum which is equal to the base lending rate from time to time of Barclays Bank PLC as at the close of business on the immediately preceding Business Day ;	
<u>"BETTA Go Live Date"</u>	<u>[to be defined];</u>	Formatted Formatted
"Bi-annual Estimate"	an estimate pursuant to Paragraph 2.21.2 of all payments to be made or which may be required to be made by the User in any relevant period, such estimate to be substantially in the form set out in Exhibit L to the CUSC ;	Deleted: [Deleted:]
"Bid-Offer Acceptance"	as defined in the Balancing and Settlement Code ;	
"Bid-Offer Volume"	as defined in the Balancing and Settlement Code ;	
"Bilateral Agreement"	in relation to a User , a Bilateral Connection Agreement or a Bilateral Embedded Generation Agreement between <u>the System Operator</u> and the User ;	Deleted: NGC Formatted
"Bilateral Connection Agreement"	an agreement entered into pursuant to Paragraph 1.3.1 a form of which is set out in Exhibit 1 to Schedule 2 ;	
"Bilateral Embedded Generation Agreement"	an agreement entered into pursuant to Paragraph 1.3.1, a form of which is set out in Exhibit 2 to Schedule 2 ;	
"BM Unit"	as defined in the Balancing and Settlement Code ;	
"BM Unit Identifiers"	the identifiers (as defined in the Balancing and Settlement Code) of the BM Units ;	
"BM Unit Metered Volume"	as defined in the Balancing and Settlement Code ;	

<p>“BSC Agent”</p>	<p>as defined in the Balancing and Settlement Code;</p>	<p>Deleted: “British Grid Systems Agreement”</p> <p>Deleted: the agreement made on 30 March 1990 of that name between NGC, Scottish Hydro Electric plc, and Scottish Power plc;</p>
<p>“BSC Framework Agreement”</p>	<p>as defined in the System Operator Transmission Licence;</p>	
<p>“BSC Panel”</p>	<p>the Panel as defined in the Balancing and Settlement Code;</p>	
<p>“BSC Party”</p>	<p>a person who is for the time being bound by the Balancing and Settlement Code by virtue of being a party to the BSC Framework Agreement;</p>	
<p>“Business Day”</p>	<p>any week-day other than a Saturday on which banks are open for domestic business in the City of London;</p>	
<p>“Business Person”</p>	<p>any person who is a Main Business Person or a Corporate Functions Person and “Business Personnel” shall be construed accordingly;</p>	
<p>“CCGT Unit”</p>	<p>a Generating Unit within a CCGT Module;</p>	
<p>“Charging Dispute”</p>	<p>as defined in Paragraph 7.2.1;</p>	
<p>“Charging Statements”</p>	<p>the Statement of the Connection Charging Methodology, the Statement of the Use of System Charging Methodology, and the Statement of Use of System Charges;</p>	
<p>“Code of Practice”</p>	<p>as defined in the Balancing and Settlement Code;</p>	
<p>“Combined Cycle Gas Turbine Module” or “CCGT Module”</p>	<p>a collection of Generating Units (registered under the Grid Code PC) comprising one or more Gas Turbine Units (or other gas based engine units) and one or more Steam Units where, in normal operation, the waste heat from the Gas Turbine Units is passed to the water/steam system of the associated Steam Units and where the component units within the CCGT Module are directly connected by steam or hot gas lines to</p>	

	enable those units to contribute to the efficiency of the combined cycle operation of the CCGT Module ;	
"Commercial Ancillary Services"	as defined in the Grid Code ;	
"Commercial Boundary"	(unless otherwise defined in the relevant Mandatory Services Agreements), the commercial boundary between either the System Operator or a Public Distribution System Operator (as the case may be) and the User at the higher voltage terminal of the generator step-up transformer;	Deleted: NGC Formatted
"Commercial Services Agreement"	an agreement between the System Operator and a User or other person to govern the provision of and payment for one or more Agreed Ancillary Services ;	Deleted: NGC Formatted
"Commissioned"	in respect of Plant and Apparatus commissioned before the Transfer Date means Plant and Apparatus recognised as having been commissioned according to the commissioning procedures current at the time of commissioning and in respect of Plant and Apparatus commissioned after the Transfer Date means Plant and/or Apparatus certified by the Independent Engineer as having been commissioned in accordance with the relevant Commissioning Programme ;	
"Commissioning Programme"	in relation to a particular user, as defined in its Construction Agreement ;	
"Commissioning Programme Commencement Date"	as defined in relation to a particular User in the Construction Agreement ;	
"Competent Authority"	the Secretary of State , the Authority and any local or national agency, authority, department, inspectorate, minister, ministry, official or public or statutory person (whether autonomous or not) of, or of the government of, the United Kingdom or the European Community;	
"Completion Date"	in relation to a particular User , as defined in its Construction Agreement ;	

"Composite Demand Charges"	in respect of a User its Demand related Transmission Network Use of System Charges for each Transmission Network Use of System Demand Zone ;	
"Confidential Information"	all data and other information supplied to a User by another CUSC Party under the provisions of the CUSC or any Bilateral Agreement, Construction Agreement or Mandatory Services Agreement ;	
"Connected Planning Data"	in relation to a particular user, as defined in its Construction Agreement ;	
"Connection"	a direct connection to the Transmission System by a User ;	Deleted: NGC
"Connection Application"	an application for a New Connection Site in the form or substantially in the form set out in Exhibit B to the CUSC ;	
" <u>Connection</u> Assets"	the Plant and Apparatus necessary to connect the User's Equipment to the Transmission System at any particular Connection Site in respect of which <u>the System Operator</u> charges Connection Charges (if any) as listed or identified in Appendix A to the Bilateral Connection Agreement relating to each such Connection Site ;	Deleted: NGC Deleted: owned by NGC Deleted: NGC Deleted: NGC Formatted
" <u>Connection</u> Asset Works"	in relation to a particular User , as defined in its Construction Agreement ;	Deleted: NGC
"Connection Charges"	charges made or levied or to be made or levied for the carrying out (whether before or after the date on which the <u>System Operator</u> Transmission Licence comes into force) of works and provision and installation of electrical plant, electric lines and ancillary meters in constructing entry and exit points on the Transmission System , together with charges in respect of maintenance and repair of such items in so far as not otherwise recoverable as Use of System Charges , all as more fully described in the <u>System Operator</u> Transmission Licence , whether or not such charges are annualised, including all charges provided for in the statement of	Deleted: NGC

	Connection Charging Methodology (such as Termination Amounts , One-off Charges and Land Charges);	
“Connection Charging Methodology”	as defined in the <u>System Operator Transmission Licence</u> ;	
“Connection Conditions” or “CC”	that portion of the Grid Code which is identified as the Connection Conditions ;	
“Connection Entry Capacity”	the figure specified as such for the Connection Site and each Generating Units as set out in Appendix C of the relevant Bilateral Connection Agreement ;	
“Connection Offer”	an offer for a New Connection Site in the form or substantially in the form set out in Exhibit C including any revision or extension of such offer;	
“Connection Site”	each location more particularly described in the relevant Bilateral Agreement at which a User's Equipment and <u>Connection Assets</u> required to connect that User to the <u>Transmission System</u> are situated. If two or more Users own or operate Plant and Apparatus which is connected at any particular location that location shall constitute two (or the appropriate number of) Connection Sites ;	Deleted: NGC Deleted: NGC
“Connection Site Demand Capability”	the capability of a Connection Site to take power to the maximum level forecast by the User from time to time and forming part of the Forecast Data supplied to <u>the System Operator</u> pursuant to the Grid Code together with such margin as <u>the System Operator</u> shall in its reasonable opinion consider necessary having regard to <u>the System Operator's</u> duties under <u>the System Operator Transmission Licence</u>	Deleted: NGC Formatted Deleted: NGC Formatted Deleted: NGC Formatted Deleted: its
“Consents”	in relation to a particular User , as defined in its Construction Agreement , and as provided for in Section 11;	
“Construction Agreement”	an agreement entered into pursuant to Paragraph 1.3.2;	

"Construction Programme"	in relation to a particular User , as defined in its Construction Agreement ;	
" Construction Works "	in relation to a particular User , as defined in its Construction Agreement ;	Deleted: NGC
"Control Telephony"	as defined in the Grid Code ;	
"Contract Test"	a test (not being a Reactive Test) described in a Market Agreement ;	
"Contract Start Days"	as defined in Paragraph 3.3 of Schedule 3, Part I;	
"Core Industry Documents"	as defined in the System Operator Transmission Licence ;	
"Core Industry Document Owner"	in relation to a Core Industry Document , the body(ies) or entity(ies) responsible for the management and operation of procedures for making changes to such document;	
"Corporate Functions Person"	any person who is: (a) a director of the System Operator ; or (b) an employee of the System Operator or any of its subsidiaries carrying out any administrative, finance or other corporate services of any kind which in part relate to the Main Business ; or (c) engaged as an agent of or adviser to or performs work in relation to or services for the Main Business ;	Deleted: NGC Formatted Deleted: NGC Formatted
"Cost Statement"	as defined in Paragraph 2.14.3;	
"Credit Rating"	the credit requirements set by the System Operator from time to time in relation to Termination Amounts ;	Deleted: NGC Formatted
"CUSC"	this Connection and Use of System Code ;	
"CUSC Framework Agreement"	as defined in the System Operator Transmission Licence ;	Deleted: the date on which the conditions in the Transmission Licence relating to the Connection and Use of System Code first come into effect
"CUSC Implementation Date"	00.01 on the 18 September 2001 ;	Formatted Formatted

“CUSC Party”	as defined in the <u>System Operator Transmission Licence</u> ;	
“Customer”	a person to whom electrical power is provided (whether or not he is the provider of such electrical power) other than power to meet Station Demand of that person;	
“Data Registration Code” or “DRC”	the portion of the Grid Code which is identified as the Data Registration Code ;	
“Deenergisation” or “Deenergise(d)”	the movement of any isolator, breaker or switch or the removal of any fuse whereby no electricity can flow to or from the relevant System through the User's Equipment ;	
“Defaulting Party”	as defined in Paragraph 4.3.2.11;	
“Defendant Party”	as defined in Paragraph 7.5.1;	
“De-Load”	the difference (expressed in MW) between the Maximum Export Limit and the Final Physical Notification Data as adjusted by the Acceptance Volume in respect of a Bid-Offer Acceptance (if any), and “ De-Loaded ” shall be construed accordingly;	
“Demand”	the demand of MW and Mvar of electricity (i.e. both Active Power and Reactive Power), unless otherwise stated;	
“Derogation”	a direction issued by the Authority relieving a CUSC Party from the obligation under its Licence to comply with such parts of the Grid Code or any Distribution Code or in the case of <u>the System Operator</u> the <u>System Operator Transmission Licence</u> as may be specified in such direction and “ Derogated ” shall be construed accordingly;	Deleted: NGC Formatted
“Derogated Plant”	Plant or Apparatus which is the subject of a Derogation ;	
“De-synchronisation”	the act of taking a BM Unit off a System to which it has been Synchronised , by opening any connecting circuit breaker, and “ De-synchronised ” shall be	

“Detailed Planning Data”	<p>construed accordingly;</p> <p>detailed additional data which the System Operator requires under the PC in support of Standard Planning Data;</p>	<div>Deleted: NGC</div> <div>Formatted</div>
“Directive”	<p>includes any present or future directive, requirement, instruction, direction or rule of any Competent Authority, (but only, if not having the force of law, if compliance with the Directive is in accordance with the general practice of persons to whom the Directive is addressed) and includes any modification, extension or replacement thereof then in force;</p>	
“Disconnect” or “Disconnection”	<p>without prejudice to the interpretation of the terms “Disconnect” or “Disconnection” to Users acting in capacities other than those detailed, the following definitions shall apply:</p> <p>(a) for Users acting in their capacity as Generators with Embedded Large Power Stations or Embedded Medium Power Stations, passing power on to a Distribution System through a connection to a Distribution System which had not been commissioned as at the Transfer Date, means permanent physical disconnection of the User's Equipment at the site of connection to the Distribution System;</p> <p>(b) for Users who are Trading Parties (as defined in the Balancing and Settlement Code) acting in their capacity as responsible for Small Power Stations which are Embedded, means, permanent physical disconnection of the User's Equipment or Equipment for which the User is responsible (as defined in Section K of the Balancing and Settlement Code) at the site of connection to the Distribution System;</p>	

	<p>(c) for Users acting in a capacity other than those detailed in (a) or (b), means permanent physical disconnection of a User's Equipment at any given Connection Site which permits removal thereof from the Connection Site or removal of all of the Connection Assets therefrom (as the case may be);</p>	<div>Deleted: NGC's</div> <div>Formatted</div> <div>Formatted</div>
"Dispute Resolution Procedure"	the procedures set out in Section 7;	
"Dispute Statement"	as defined in Paragraph 3.15.4;	
"Distribution Agreement"	an agreement entered into by a User with the owner/operator of the Distribution System for the connection of the User's Equipment (or equipment for which the User is responsible (as defined in Section K of the Balancing and Settlement Code) to and use of such Distribution System ;	
"Distribution Code(s)"	the Distribution Code(s) drawn up by Public Distribution System Operators pursuant to the terms of their respective Licence(s) as from time to time revised in accordance with those Licences ;	
"Distribution Interconnector"	as defined in the Balancing and Settlement Code ;	
"Distribution Interconnector Owner"	the Owner of a Distribution Interconnector or of that part of a Distribution Interconnector directly connected to a Distribution System ;	
"Distribution Licence"	a licence issued under section 6(1)(c) of the Act ;	
"Distribution System"	the system consisting (wholly or mainly) of electric lines owned or operated by any Authorised Electricity Operator and used for the distribution of electricity from Grid Supply Points or generation sets or other entry points to the point of delivery to Customers or Authorised Electricity Operators , and includes any Remote Transmission Assets operated by such Authorised Electricity Operator and any	

	electrical plant and meters owned or operated by the Authorised Electricity Operator in connection with the distribution of electricity, but shall not include any part of the Transmission System ;	Deleted: NGC
“Dormant CUSC Party”	a CUSC Party which does not enjoy any ongoing rights and/or obligations for the period of its dormancy under the CUSC , as provided for in Section 5;	
“Earthing”	as defined in the Grid Code ;	
“EdF Documents”	as defined in the Balancing and Settlement Code ;	
“Election Timetable”	as defined in Paragraph 8A.1.2.1;	
“Election Year”	as defined in Paragraph 8A.1.1.2;	
“Electricity Arbitration Association”	as the phrase ' Electricity Supply Industry Arbitration Association ' is defined in the Grid Code ;	
“Embedded”	a direct connection to a Distribution System or the System of any other User to which Customers and/or Power Stations are connected;	
“Emergency Instruction”	as defined in the Grid Code ;	
“Energisation” or “Energise(d)”	the movement of any isolator, breaker or switch or the insertion of any fuse so as to enable Energy to flow from and to the relevant System through the User's Equipment ;	
“Energy”	the electrical energy produced, flowing or supplied by an electric circuit during a time interval, being the integral with respect to time of the power, measured in units of watt-hours or standard multiples thereof i.e. 1000 Wh = 1KWh 1000 KWh = 1MWh 1000 MWh = 1GWh	

1000 GWh = 1TWh;

“Energy Metering Equipment”

as the phrase “**Metering Equipment**” is defined in the **Balancing and Settlement Code**;

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“Energy Metering System”

as the phrase “**Metering System**” is defined in the **Balancing and Settlement Code**;

“Enhanced Reactive Power Service”

as defined in Paragraph 1.2 of Schedule 3, Part I;

“Enhanced Rate”

in respect of any day the rate per annum which is 4% per annum above the **Base Rate**;

“Escrow Account”

a separately designated bank account in the name of the System Operator at such branch of Barclays Bank PLC or such branch of any other bank, in the City of London as is notified by the System Operator to the **User**, bearing interest from (and including) the date of deposit of principal sums to (but excluding) the date of withdrawal of principal sums from such account, mandated for withdrawal of any sums solely by the System Operator;

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“Estimated Demand”

the forecast **Demand (Active Power)** data filed with the System Operator pursuant to the **Charging Statements**;

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“Event of Default”

any of the events set out in Section 5 as constituting an event of default;

“Excitation System”

the equipment providing the field current of a machine, including all regulating and control elements as well as field discharge or suppression equipment and protective devices;

“Existing Contractual Arrangements”

shall mean in the case of the **Interconnector** between England and France existing as at the **CUSC Implementation Date** the Interconnector Framework Agreement made between **NGC** and R.T.E. dated 11 December 2000 as amended from time to time, the Operating Agreement known as the

	“Procedures for Operation of the Cross Channel Link Pink Version or Version Rose” dated 3 April 1989 as amended from time to time and the Protocol between CEGB and Electricité de France dated 16 June 1981
“External Interconnection”	as defined in the Grid Code ;
“Externally Interconnected System Operator”	as defined in the Grid Code ;
“Final Adjustments Statement”	as defined in Paragraph 4.3.2.6(b);
“Final Demand Reconciliation Statement”	as defined in Paragraph 3.12.7(a);
“Final Monthly Statement”	as defined in Paragraph 4.3.2.6;
“Final Physical Notification Data”	as defined in the Balancing and Settlement Code ;
“Final Reconciliation Settlement Run”	as defined in the Balancing and Settlement Code ;
“Final Reconciliation Volume Allocation Run”	as defined in the Balancing and Settlement Code ;
“Final Statement”	as defined in Paragraph 4.3.2.6(a);
“Final Sums”	in relation to a particular User , as defined in its Construction Agreement ;
“Financial Year”	the period of 12 months ending on 31st March in each calendar year;
“First Offer”	as defined in Paragraph 6.10.4;
“First User”	as defined in Paragraph 6.10.3;
“FMS Date”	1st April 1993;
“Force Majeure”	in relation to any CUSC Party any event or circumstance which is beyond the reasonable control of such CUSC Party and which results in or causes the failure of that CUSC Party to perform any of its obligations under the CUSC including act of God, strike, lockout or other industrial disturbance, act of the public enemy, war declared or undeclared, threat of war, terrorist act, blockade, revolution, riot,

Deleted: and in the case of the **Interconnector** between England and Scotland existing as at the **CUSC Implementation Date** the Use of Interconnector Agreement (Scotland) 1991 made between NGC and Scottish Power plc and Scottish Hydro Electric plc dated 30 April 1991 as amended from time to time and the **British Grid Systems Agreement**;

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	<p>insurrection, civil commotion, public demonstration, sabotage, act of vandalism, lightning, fire, storm, flood, earthquake, accumulation of snow or ice, lack of water arising from weather or environmental problems, explosion, fault or failure of Plant and Apparatus (which could not have been prevented by Good Industry Practice), governmental restraint, Act of Parliament, other legislation, bye law and Directive (not being any order, regulation or direction under section 32, 33, 34 and 35 of the Act) provided that lack of funds shall not be interpreted as a cause beyond the reasonable control of that CUSC Party;</p>
"Forecast Land Charge"	the amount calculated in accordance with the Charging Statements ;
"Frequency"	the number of alternating current cycles per second (expressed in Hertz) at which a System is running;
"Frequency Deviation"	a positive or negative deviation from Target Frequency ;
"Frequency Response"	an automatic response by a BM Unit or CCGT Unit to a change in Frequency with the aim of containing System Frequency within the limits provided for under the Grid Code ;
"Frequency Sensitive Mode"	as defined in the Grid Code ;
"Fuel Security Code"	the document of that title designated as such by the Secretary of State as from time to time amended;
"Gas and Electricity Consumers Council" or "GECC"	the body set up pursuant to section 2 of the Utilities Act 2000;
"Gas Turbine Unit"	a Generating Unit driven by a gas turbine (for instance an aero-engine);
"Generating Plant"	a Large Power Station ;
"Generating Unit"	unless otherwise provided in the Grid Code any Apparatus which produces electricity;

"Generation Business"	the authorised business of <u>the System Operator</u> or any Affiliate or Related Undertaking in the generation of electricity or the provision of Balancing Services , in each case from pumped storage and from the Kielder hydro-electric generating station;	Deleted: NGC Formatted
"Generation Capacity"	the normal full load capacity of a Generating Unit as declared by the Generator , less the MW consumed by the Generating Unit through the Generating Unit's unit transformer when producing the same;	
"Generation Licence"	the licence granted to a Generator pursuant to section 6(1)(a) of the Act ;	
"Generation Reconciliation Statement"	as defined in Paragraph 3.12.2;	
"Generator"	a person who generates electricity under licence or exemption under the Act ;	
"Genset"	as defined in the Grid Code ;	
"Good Industry Practice"	in relation to any undertaking and any circumstances, the exercise of that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced operator engaged in the same type of undertaking under the same or similar circumstances;	
"Grid Code"	the Grid Code drawn up pursuant to the <u>System Operator</u> Transmission Licence , as from time to time revised in accordance with the <u>System Operator</u> Transmission Licence ;	
<u>"Grid Entry Point"</u>	<u>as defined in the Grid Code;</u>	Formatted Formatted
"Grid Supply Point"	a point of delivery from the Transmission System to a Distribution System or a Non-Embedded Customer ;	Deleted: NGC
"Gross Asset Value"	the value calculated by <u>the System</u>	Deleted: NGC Formatted

	<p>Operator in accordance with recognised accounting principles and procedures as published by the System Operator from time to time;</p>	<div>Deleted: NGC</div> <div>Formatted</div> <div>Formatted</div>
"High Frequency Response"	as defined in the Grid Code ;	
"High Voltage" or "HV"	a voltage exceeding 650 volts;	
"Holding Payment"	that component of the payment for Mode A Frequency Response calculated in accordance with Paragraph 4.1.3.9;	
"Indemnified Persons"	as defined in Paragraph 8.11.1;	
"Independent Engineer"	in relation to a particular User , as defined in its Construction Agreement ;	
"Initial Charge"	as defined in Paragraph 3.15.2;	
"Initial Demand Reconciliation Statement"	as defined in Paragraph 3.12.4;	
"Initial Volume Allocation Run"	as defined in the Balancing and Settlement Code ;	
"Intellectual Property" or "IPRs"	patents, trade marks, service marks, rights in designs, trade names, copyrights and topography rights (whether or not any of the same are registered and including applications for registration of any of the same) and rights under licences and consents in relation to any of the same and all rights or forms of protection of a similar nature or having equivalent or similar effect to any of the same which may subsist anywhere in the world;	
"Interconnected System Operator"	as defined in the Balancing and Settlement Code ;	
"Interconnector"	as defined in the Balancing and Settlement Code ;	
"Interconnectors Business"	the business of the System Operator or any Affiliate or Related Undertaking in the ownership and/or operation of any Interconnector ;	<div>Deleted: NGC</div> <div>Formatted</div>
"Interconnector Error Administrator"	as defined in the Balancing and Settlement Code ;	

“Interconnector Owner”

the owner of an **Interconnector**, or of that part of an **Interconnector**, directly connected to the **Transmission System**;

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“Interconnector User”

(a) in relation to an **Interconnector** connected to the **Transmission System**, as defined in the **Balancing and Settlement Code**; and

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(b) in relation to a **Distribution Interconnector**, a Lead Party (as defined in the **Balancing and Settlement Code**) in respect of a single **BM Unit** where under Section K5 of the **Balancing and Settlement Code** the **BM Unit** has been allocated in relation to that **Distribution Interconnector** or if there is no such allocation, as defined in the **Balancing and Settlement Code**;

“Isolation”

as defined in the **Grid Code**;

“Joint System Incident”

Paragraphs (a) and (b) below are without prejudice to the application of Paragraph 6.4 to **Users** acting in capacities other than those detailed in Paragraphs (a) and (b),

(a) for **Users** in respect of their **Connection Sites** which were not **Commissioned** as at the **Transfer Date**, shall have the meaning given to that term in the **Grid Code**;

(b) for **Users** acting in their capacity as **Generators** with **Embedded Large Power Stations** or **Embedded Medium Power Stations** and who are passing power onto a **Distribution System** through a connection with a **Distribution System** which was not **Commissioned** as at the **Transfer Date**, means an event wherever occurring (other than on an **Embedded Medium Power Station** or **Embedded Small Power Station**) which, in the opinion of **the System**

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	<p>Operator or a User has or may have a serious and/or widespread effect, being (in the case of an event on a User(s) System(s)) (other than on an Embedded Medium Power Station or Embedded Small Power Station), on the Transmission System , and (in the case of an event on the Transmission System), on a User(s) System(s) (other than on an Embedded Independent Generating Plant);</p>	<div>Deleted: NGC</div> <div>Deleted: NGC</div> <div>Formatted</div>
"Lagging"	in relation to Reactive Power , exporting Mvar;	
"Land Charge"	the amount calculated in accordance with the provisions of Paragraph 2.14.5;	
"Land Charge Base Amount"	in relation to a particular User , the sum specified in Appendix B to the relevant Bilateral Connection Agreement ;	
"Large Power Station"	as defined in the Grid Code ;	
"Leading"	in relation to Reactive Power , importing Mvar;	
"Letter of Credit"	<p>(a) in respect of Paragraph 2.22 shall mean an irrevocable standby letter of credit in a form reasonably satisfactory to the System Operator but in any case expressed to be governed by the Uniform Customs and Practice for Documentary Credits 1993 Revision ICC Publication No. 500 or such other form as may be reasonably satisfactory to the System Operator and allowing for partial drawings and providing for the payment to the System Operator on demand forthwith on and against the System Operator's delivery to the issuer thereof of a Notice of Drawing of the amount demanded therein;</p> <p>(b) in all other cases shall mean an unconditional irrevocable standby</p>	<div>Deleted: NGC</div> <div>Formatted</div> <div>Deleted: NGC</div> <div>Formatted</div> <div>Deleted: NGC</div> <div>Formatted</div> <div>Deleted: NGC</div> <div>Formatted</div>

	letter of credit in such form as <u>the System Operator</u> may reasonably approve issued for the account of the User in sterling in favour of <u>the System Operator</u> , allowing for partial drawings and providing for the payment to <u>the System Operator</u> forthwith on demand by any United Kingdom clearing bank or any other bank which in each case has a long term debt rating of not less than single "A" by Standard and Poor's Corporation or by Moody's Investors Services, or such other bank as <u>the System Operator</u> may approve and which shall be available for payment at a branch of the issuing bank;	Deleted: NGC Formatted Deleted: NGC Formatted Deleted: NGC Formatted
"Licence"	any licence granted pursuant to Section 6 of the Act ;	
"Licence Standards"	the standards to be met by <u>the System Operator</u> under [Special Condition A2] of the <u>System Operator Transmission Licence</u> ;	Deleted: NGC Formatted Formatted
"Liquidated Damages"	in relation to a particular User , as defined in its Construction Agreement ;	
"Local Safety Instructions"	as defined in the Grid Code ;	
"MCUSA"	the Master Connection and Use of System Agreement dated 30 March 1990 (now amended to become the CUSC Framework Agreement);	Formatted
"Main Business"	any business of <u>the System Operator</u> or any of its subsidiaries as at the Transfer Date or which it is required to carry on under the <u>System Operator Transmission Licence</u> , other than the Generation Business ;	Deleted: NGC Formatted Deleted:
"Main Business Person"	any employee of <u>the System Operator</u> or any director or employee of its subsidiaries who is engaged solely in the Main Business and " Main Business Personnel " shall be construed accordingly;	Deleted: NGC Formatted

"Mandatory Ancillary Services"	Part I System Ancillary Services;	
"Mandatory Services Agreement"	an agreement between <u>the System Operator</u> and a User to govern the provision of and payment for Mandatory Ancillary Services ;	Deleted: NGC Formatted
"Market Agreement"	as defined in Paragraph 3.1 of Schedule 3, Part I;	
"Market Day"	as defined in Paragraph 3.3 of Schedule 3, Part I;	Formatted
"Material Effect"	an effect causing a CUSC Party to effect any works or to alter the manner of operation of its Plant and/or Apparatus at the Connection Site or the site of connection which in either case involves that CUSC Party in expenditure of more than £10,000;	
"Maximum Export Limit"	as defined in the Grid Code ;	
"Medium Power Station"	as defined in the Grid Code ;	
"Meters"	as defined in the Balancing and Settlement Code ;	Formatted
"Metering Equipment"	as defined in the Balancing and Settlement Code ;	
"Meter Operator Agent"	as defined in the Balancing and Settlement Code ;	
"Metering System"	as defined in the Balancing and Settlement Code ;	
"Methodology"	the Statement of the Use of System Charging Methodology or the Statement of the Connection Charging Methodology (and " Methodologies " shall be construed accordingly);	
"Mode A Frequency Response"	as defined in Paragraph 4.1.3.3;	
"Modification"	any actual or proposed replacement, renovation, modification, alteration, or construction by or on behalf of a User or <u>the System Operator</u> to either that CUSC Party's Plant or Apparatus or the manner of its operation which has or may have a	Deleted: NGC Formatted

	Material Effect on another CUSC Party at a particular Connection Site ;	
"Modification Application"	an application in the form or substantially in the form set out in Exhibit I to the CUSC ;	
"Modification Notification"	a notification in the form or substantially in the form set out in Exhibit K to the CUSC ;	
"Modification Offer"	an offer in the form or substantially in the form set out in Exhibit J to the CUSC , including any revision or extension of such offer;	
"Natural Demand"	the Demand (Active Power) which is necessary to meet the needs of Customers excluding that Demand (Active Power) met by Embedded Generating Units whose generation is not traded by Trading Parties through Energy Metering Systems registered under the Balancing and Settlement Code ;	
"Net Asset Value"	the Gross Asset Value of the Connection Asset in question less depreciation over the Replacement Period calculated in accordance with recognised accounting principles and procedures;	Deleted: NGC
"NETA Go-live Date"	as the term Go-live Date is defined in the Balancing and Settlement Code ;	Deleted: Formatted
"New Connection Site"	a proposed Connection Site in relation to which there is no Bilateral Agreement in force between the CUSC Parties ;	
"New CUSC Party"	as defined in Paragraph 6.13;	
"NGC"	National Grid Company plc (No: 2366977) whose registered office is at 1-3 Strand, London WC2N 5EH ;	Deleted: The Deleted: National Grid House, Kirby Corner Road, Coventry, CV4 8JY Formatted
"Nominated Registered Capacity"	as defined in Appendix 5 of Schedule 3, Part I;	
"Non- Performing Party"	as defined in Paragraph 6.19;	
"Non-Embedded Customer"	a Customer except for a Public Distribution System Operator receiving	

	electricity direct from the Transmission System irrespective of from whom it is supplied;	Deleted: NGC
"Notice of Drawing"	a notice of drawing signed by or on behalf of <u>the System Operator</u> substantially in the form set out in Exhibit N to the CUSC ;	Deleted: NGC Formatted
"Notification Date"	as defined in the Balancing and Settlement Code ;	
"Notional Amount"	as defined in Paragraph 3.12;	
"Nuclear Generator"	as defined in Paragraph 6.11;	
"Obligatory Reactive Power Service"	as defined in Paragraph 1.1 of Schedule 3, Part I;	
"Offer"	an offer for connection to and/or use of the Transmission System made by <u>the System Operator</u> in relation to the CUSC ;	Deleted: NGC Deleted: NGC Formatted
"One Off Charge"	the costs, including profits and overheads of carrying out the One Off Works , together with the Net Asset Value of any asset made redundant as a result of the <u>Construction Works</u> an estimate of which is specified in Appendix B1 to the relevant Construction Agreement and/or Bilateral Agreement ;	Deleted: NGC
"One Off Works"	the works described in Appendix B1 to the relevant Construction Agreement and/or Bilateral Agreement ;	
"Operating Agreement(s)"	the operating agreements or arrangements identified in the Bilateral Connection Agreement between <u>the System Operator</u> and the Interconnector Owner of the relevant Interconnector and made between either <u>the System Operator</u> and the relevant Interconnector Owner and/or <u>the System Operator</u> and the relevant Interconnected System Operator ;	Deleted: NGC Formatted Deleted: NGC Formatted Deleted: NGC Formatted
"Operating Code" or "OC"	the portion of the Grid Code which is identified as the Operating Code ;	
"Operation Diagrams"	as defined in the Grid Code ;	
"Operational"	in relation to a Connection Site means that the same has been Commissioned	

	(which for the avoidance of doubt does not necessarily include commissioning of Generating Units connected at the Connection Site) and that the User can use such User's Equipment to undertake those acts and things capable of being undertaken by BSC Parties ;	
"Operational Date"	the date on which <u>the System Operator</u> issues the Operational Notification ;	Deleted: NGC Formatted
"Operational Effect"	any effect on the operation of any System which causes that System to operate (or be at a materially increased risk of operating) differently to the way in which it would have normally operated in the absence of that effect;	
"Operational Intertripping"	the automatic tripping of circuit breakers to prevent abnormal system conditions occurring, such as over voltage, overload, system instability etc. after the tripping of other circuit breakers following power system fault(s) which includes System to Power Station and System to Demand intertripping schemes;	
"Operational Metering Equipment"	meters, instrument transformers (both voltage and current), transducers, metering protection equipment including alarms circuitry and their associated outstations as may be necessary for the purpose of CC.6.5.5 of the Grid Code and the corresponding provision of the relevant Distribution Code ;	
"Operational Notification"	the notice of that name given to the User by <u>the System Operator</u> under Paragraph 3.2.6;	Deleted: NGC Formatted
"Original Party"	as defined in the CUSC Framework Agreement ;	Formatted
"Other Dispute"	as defined in Paragraph 7.2.3;	
"Other Party"	as defined in Paragraph 7.5.1;	
"Other User"	as defined in Paragraph 6.10.3;	
"Output"	the actual Active Power or Reactive Power output achieved by a BM Unit ;	

"Panel Chairman"	a person appointed as such in accordance with Paragraph 8.3.1;
"Panel Member"	any of the persons listed in Paragraph 8.2.1.2;
"Panel Secretary"	a person appointed as such in accordance with Paragraph 8.2.1.3;
"Part 1 System Ancillary Services"	as defined in Grid Code CC 8.1;
"Part 2 System Ancillary Services"	as defined in Grid Code CC 8.1;
"Party Liable"	as defined in Paragraph 6.12.1;
"Payment Date"	as defined in the Balancing and Settlement Code ;
"Pending Amendment Proposal"	an Amendment Proposal in respect of which, at the relevant time, the Authority has not yet made a decision as to whether to direct such Proposed Amendment to be made pursuant to the System Operator Transmission Licence (whether or not an Amendment Report has been submitted in respect of such Amendment Proposal);
"Performance Bond"	an on first demand without proof or conditions irrevocable performance bond or performance guarantee executed as a deed in a form reasonably satisfactory to <u>the System Operator</u> but in any case allowing for partial drawings and providing for the payment to <u>the System Operator</u> on demand forthwith on and against <u>the System Operator's</u> delivery to the issuer thereof of a Notice of Drawing of the amount demanded therein;
"Permitted Activities"	activities carried on for the purposes of the Main Business ;
"Physical Notification"	as defined in the Balancing and Settlement Code ;
"Planning Code" or PC	that portion of the Grid Code which is identified as the Planning Code ;
"Plant"	fixed and moveable items used in the generation and/or supply and/or

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	transmission of electricity other than Apparatus	
"Pool Member"	as defined in the Balancing and Settlement Code ;	Formatted
"Pooling and Settlement Agreement"	as defined in the Balancing and Settlement Code	
"Power Station"	an installation comprising one or more Generating Units (even where sited separately) owned and/or controlled by the same Generator , which may reasonably be considered as being managed as one Power Station ;	
"Practical Completion Date"	in relation to a particular User , as defined in its Construction Agreement ;	Formatted
"Preference Votes"	as defined in Paragraph 8A.3.2.1;	
"Proceedings"	as defined in Paragraph 6.23.1;	
"Progress Report"	as defined in Paragraph 8.13;	
"Primary Response"	as defined in the Grid Code ;	
"Proposed Amendment"	an amendment to the CUSC which has been proposed by way of Amendment Proposal but which has not been made;	
"Proposer"	in relation to a particular Amendment Proposal , the person who makes such Amendment Proposal ;	
"Protected Information"	any information relating to the affairs of a CUSC Party which is furnished to Business Personnel pursuant to the CUSC or a Bilateral Agreement or a Mandatory Services Agreement or a Construction Agreement or pursuant to a direction under section 34 of the Act or pursuant to the provisions of the Fuel Security Code unless, prior to such information being furnished, such CUSC Party has informed the recipient thereof by notice in writing or by endorsement on such information, that the said information is not to be regarded as Protected Information ;	

“Provisional Statement“	as defined in Paragraph 4.3.2.1(a);	
“Provisional Monthly Statement“	as defined in Paragraph 4.3.2.1;	
“Provisional Adjustments Statement“	as defined in Paragraph 4.3.2.1(b);	
“Public Distribution System Operator“	a holder of a Distribution Licence who was the holder, or is a successor to a company which was the holder of a Public Electricity Supply Licence relating to distribution activities in England and/or Wales on the CUSC Implementation Date	
“Public Electricity Supply Licence“	a licence issued under section 6(1)(c) of the Act prior to the coming in force of section 30 of the Utilities Act 2000;	
“Qualified Bank“ or “Qualifying Bank“	a City of London branch of a bank, its successors and assigns, which has throughout the validity period of the Performance Bond or Letter of Credit it issues in favour of <u>the System Operator</u> , a rating of at least A- in Standard and Poor’s long term debt rating or A3 in Moody’s long term debt rating provided that such bank is not during such validity period put on any credit watch or any similar credit surveillance which gives <u>the System Operator</u> reasonable cause to doubt that such bank may not be able to maintain the aforesaid rating throughout the validity period and no other event has occurred which gives <u>the System Operator</u> reasonable cause to have such doubt;	<div>Deleted: NGC</div> <div>Formatted</div> <div>Deleted: NGC</div> <div>Formatted</div> <div>Deleted: NGC</div> <div>Formatted</div>
“Qualified Company“ or “Qualifying Company“	a company which is a public <u>company</u> or a private company within the meaning of section 1(3) of the Companies Act 1985 and which is either a shareholder of the User or any holding company of such shareholder (the expression holding company having the meaning assigned thereto by section 736, Companies Act 1985 as supplemented by section 144(3), Companies Act 1989) and which has throughout the validity period of the Performance Bond it gives in favour of <u>the System Operator</u> , a rating of at least	<div>Deleted: NGC</div> <div>Formatted</div>

	<p>A- in Standard and Poor's long term debt rating or A3 in Moody's long term debt rating or such lesser rating which <u>the System Operator</u> may in its absolute discretion allow by prior written notice given pursuant to a resolution of its board of directors for such period and on such terms as such resolution may specify provided that such company is not during such validity period put on any credit watch or any similar credit surveillance procedure which gives <u>the System Operator</u> reasonable cause to doubt that such company may not be able to maintain the aforesaid rating throughout the validity period of the Performance Bond and no other event has occurred which gives <u>the System Operator</u> reasonable cause to have such doubt;</p>	<div>Deleted: NGC</div> <div>Formatted</div>
	<p>reasonable cause to doubt that such company may not be able to maintain the aforesaid rating throughout the validity period of the Performance Bond and no other event has occurred which gives <u>the System Operator</u> reasonable cause to have such doubt;</p>	<div>Deleted: NGC</div> <div>Formatted</div>
	<p>reasonable cause to have such doubt;</p>	<div>Deleted: NGC</div> <div>Formatted</div>
"Qualifying Guarantee"	<p>a guarantee in favour of <u>the System Operator</u> in a form proposed by the User and agreed by <u>the System Operator</u> (whose agreement shall not be unreasonably withheld or delayed) and which is provided by an entity which holds an Approved Credit Rating;</p>	<div>Deleted: NGC</div> <div>Formatted</div> <div>Deleted: NGC</div> <div>Formatted</div>
"Rated MW"	<p>as defined in the Grid Code;</p>	
"Reactive Despatch Instruction"	<p>an instruction relating to Reactive Power given by <u>the System Operator</u> to a Generator in accordance with Grid Code BC2;</p>	<div>Deleted: NGC</div> <div>Formatted</div>
"Reactive Energy"	<p>as defined in the Balancing and Settlement Code;</p>	
"Reactive Power"	<p>the product of voltage and current and the sine of the phase angle between them measured in units of voltamperes reactive and standard multiples thereof i.e.:- 1000 Var = 1Kvar 1000 Kvar = 1Mvar;</p>	
"Reactive Test"	<p>a test conducted pursuant to Grid Code OC 5.5.1;</p>	
"Reasonable Charges"	<p>reasonable cost reflective charges comparable to charges for similar services obtainable in the open market;</p>	

"Reconciled Charge"	as defined in Paragraph 3.15.1 and like terms shall be construed accordingly;	
"Reenergisation" or "Reenergised"	any Energisation after a Deenergisation ;	
"Registered Data"	those items of Standard Planning Data and Detailed Planning Data which upon connection become fixed (subject to any subsequent changes);	
"Registrant"	as defined in the Balancing and Settlement Code ;	
"Regulations"	the Electricity Supply Regulations 1988 or any amendment or re-enactment thereof;	
"Reinforcement Works"	in relation to a particular User , as defined in its Construction Agreement ;	Deleted: NGC
"Rejected Amendment Proposal"	an Amendment Proposal in respect of which the Authority has decided not to direct <u>the System Operator</u> to modify the Code pursuant to the <u>System Operator</u> Transmission Licence in the manner set out herein;	Deleted: NGC Formatted
"Related Undertaking"	in relation to <u>the System Operator</u> (and for the purposes of Paragraph 6.15, a User) means any undertaking in which <u>the System Operator</u> has a participating interest as defined by section 260(1) of the Companies Act 1985 as substituted by section 22 of the Companies Act 1989;	Deleted: NGC Formatted Deleted: NGC Formatted
"Release Date"	as defined in Paragraph 2.22.2;	
"Remote Transmission Assets"	. <u>[to be replaced with definition as in the Transmission Licence]</u>	Deleted: any Plant and Apparatus or meters owned by NGC which (a) are embedded in a Distribution System or a User System and which are not directly connected by Plant and/or Apparatus owned by NGC to a sub-station owned by NGC and (b) are by agreement between NGC and such Public Distribution System Operator or User under the direction and control of such Public Distribution System Operator or User Formatted Formatted Deleted: n Deleted: NGC Formatted Deleted: NGC Deleted: NGC
"Replacement Period"	in relation to a <u>Connection Asset</u> , the period commencing on the date on which such <u>Connection Asset</u> is or was originally Commissioned , after which it is assumed for accounting purposes such <u>Connection Asset</u> will need to be replaced, which shall be 40 years unless otherwise agreed between the CUSC Parties to a Bilateral Agreement and recorded in the relevant Bilateral	

Agreement;

"Required Amount"	as defined in Paragraph 2.21.2(c);
"Required Standard"	in relation to an item of Derogated Plant , the respective standard required of that item (which shall not exceed that required by the Grid Code or the Licence Standards , as the case may be) as specified in or pursuant to the relevant Derogation ;
"Resigning Panel Member"	as defined in Paragraph 8A.4.1.
"Response"	Primary Response , Response , Secondary Response and High Frequency Response or any of them as the case may be;
"Response Energy Payment"	that component of the payment for Mode A Frequency Response calculated in accordance with Paragraph 4.1.3.9A;
"Retail Price Index"	<p>the general index of retail prices published by the Office for National Statistics each month in respect of all items or:</p> <p>(a) if the said index for any month in any year shall not have been published on or before the last day of the third month after such month such index for such month or months as the parties hereto agree produces as nearly as possible the same result shall be substituted or in default of the parties reaching agreement within six weeks after the last day of such three month period then as determined by a sole Chartered Accountant appointed by agreement by both parties or in the absence of agreement on the application of either party by the President of the Electricity Arbitration Association who shall act as an expert and whose decision shall be final and binding on the parties; or</p> <p>(b) if there is a material change in the basis of the said index, such other index as the parties agree produces</p>

as nearly as possible the same result shall be substituted or in default of the parties reaching agreement within six weeks after the occurrence of the material change in the basis of the said index then as determined by the sole Chartered Accountant appointed by agreement by both parties or in the absence of agreement on the application of either party by the President of the **Electricity Arbitration Association** who shall act as an expert and whose decision shall be final and binding on the parties;

“**Safety Coordinator(s)**”

a person or persons nominated by the **System Operator** and each **User** to be responsible for the co-ordination of **Safety Precautions** (as defined in the **Grid Code**) at each **Connection Point** when work and/or testing is to be carried out on a system which necessitates the provision of Safety Precautions on HV **Apparatus**, pursuant to OC8;

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“**Safety Rules**”

the rules of the **System Operator** or a **User** that seek to ensure that persons working on **Plant** and/or **Apparatus** to which the rules apply are safeguarded from hazards arising from the **System**;

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“**Second Offer**”

as defined in Paragraph 6.10.4;

“**Secondary Response**”

as defined in the **Grid Code**;

“**Secretary of State**”

has the meaning given to that term in the **Act**;

“**Secured Amount Statement**”

a statement accompanying the **Bi-annual Estimate** setting out the amount to be secured by the **User** under Paragraph 2.21 based on figures contained in the **Bi-annual Estimate** being the amount for which security shall be provided to the **System Operator** pursuant to that Paragraph such statement to be substantially in the form set out in Exhibit M to the **CUSC**;

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“Security Amount”

in respect of the **User** the aggregate of available amounts of each outstanding (a) **Letter of Credit**, (b) **Qualifying Guarantee** and (c) the principal amount (if any) of cash that the **User** has paid to the credit of the **Escrow Account** (and which has not been repaid to the **User**); for the purpose of this definition, in relation to a **Letter of Credit** or **Qualifying Guarantee** “available amount” means the face amount thereof less (i) payments already made thereunder and (ii) claims made thereunder but not yet paid;

“Security Cover”

the aggregate amount for the time being which the **User** shall be required by the **System Operator** to provide and maintain by way of security in accordance with the **CUSC**;

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“Separate Business”

each of the **Transmission and Interconnectors Businesses** taken separately from one another and from any other business of the System Operator, but so that where all or any part of such business is carried out by an **Affiliate** or **Related Undertaking** of the System Operator such part of the business as is carried out by that **Affiliate** or **Related Undertaking** shall be consolidated with any other such business of the System Operator (and of any other **Affiliate** or **Related Undertaking**) so as to form a single **Separate Business**;

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“Settlement Administration Agent”

as defined in the **Balancing and Settlement Code**;

“Settlement Day”

as defined in the **Balancing and Settlement Code**;

“Settlement Period”

as defined in the **Balancing and Settlement Code**;

“Site Common Drawings”

as defined in the **Grid Code**;

“Site Responsibility Schedule”

a schedule containing the information and prepared on the basis of the provisions set out in Appendix 1 of the **CC**;

“Small Independent Generating a Medium Power Station; Plant”

“Small Power Station” as defined in the **Grid Code**;

“Small Power Station Trading Party” a **Trading Party** trading on behalf of one or more **Small Power Stations** whether owned by the **Trading Party** or another person;

“Statement of the Connection Charging Methodology” the statement produced pursuant to and in accordance with [Standard Condition C7B] of the **System Operator Transmission Licence**, as modified from time to time;

“Statement of Use of System Charges” the statement produced pursuant to and in accordance with [Standard Condition C7] of the **System Operator Transmission Licence**, as modified from time to time;

“Statement of the Use of System Charging Methodology” the statement produced pursuant to [Standard Condition C7] of the **System Operator Transmission Licence**, as modified from time to time;

“Station Demand” in respect of any generating station and **Generator**, means that consumption of electricity (excluding any supply to any **Customer** of the relevant **Generator** who is neither such **Generator** nor a member of a qualifying group of which such **Generator** is a part) from the **Transmission System** or a **Distribution System** at premises on the same site as such generating station, with premises being treated as on the same site as each other if they are:

- (i) the same premises;
- (ii) immediately adjoining each other;
- (iii) separated from each other only by road, railway or watercourse or by other premises (other than a pipeline, electric line or similar structure) occupied by the consumer in question or by any other person who together with that consumer forms a qualifying group; and for the purpose of this definition “generating station”

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and “qualifying group” shall have the meanings given those expressions when used in the Electricity (Class Exemptions from the Requirement for a Licence) Order 1990;

“**Steam Unit**”

a **Generating Unit** whose prime mover converts the heat energy in steam to mechanical energy;

“**Subsidiary**”

has the meaning given to that term in section 736A of the Companies Act 1985;

“**Supplemental Agreement**”

an agreement entered into pursuant to clause 2 of the **MCUSA**;

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“**Supplier**”

a person who holds a **Supply Licence**;

“**Supply Agreement**”

an agreement between a **Non-Embedded Customer** and a **Supplier** for the supply of electricity to the **Non-Embedded Customer’s Connection Site**;

“**Supply Licence**”

a licence granted under section 6(1)(d) of the **Act**;

“**Synchronous Compensation**”

the operation of rotating synchronous apparatus for the specific purpose of either generation or absorption of **Reactive Power**;

“**Synchronised**”

the condition where an incoming **BM Unit** or **CCGT Unit** or **System** is connected to the busbars of another **System** so that the **Frequencies** and phase relationships of that **BM Unit** or **CCGT Unit** or the **System**, as the case may be, and the **System** to which it is connected are identical;

“**System Ancillary Services**”

Mandatory Ancillary Services and **Part 2 System Ancillary Services**;

“**System**”

any **User System** or the **Transmission System** as the case may be;

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“**System Operator**”

means the holder for the time being of a transmission licence in relation to which licence the **Authority** has issued a Section C Direction and where Section C remains in effect;

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" <u>System Operator</u> Credit Rating"	any one of the following:-	Deleted: NGC
	(a) a credit rating for long term debt of A- and A3 respectively as set by Standard and Poor's or Moody's respectively;	
	(a) an indicative long term private credit rating of A- and A3 respectively as set by Standard and Poor's or Moody's as the basis of issuing senior unsecured debt;	
	(b) a short term rating by Standard and Poor's or Moody's which correlates to a long term rating of A- and A3 respectively; or	
	(c) where the User's Licence issued under the Electricity Act 1989 (as amended by the Utilities Act 2000) requires that User to maintain a credit rating, the credit rating defined in that User's Licence .	
" <u>System Operator's</u> Engineering Charges"	the charges levied by <u>the System Operator</u> in relation to an application for connection and/or use of the Transmission System ;	Deleted: NGC's Deleted: NGC Formatted Deleted: NGC
" <u>System Operator</u> Transmission Licence"	the licence granted to <u>the System Operator</u> under section 6(1)(b) of the Act;	Deleted: NGC Formatted
" <u>System Operator</u> Website"	the site established by <u>the System Operator</u> on the World-Wide Web for the exchange of information among CUSC Parties and other interested persons in accordance with such restrictions on access as may be determined from time to time by <u>the System Operator</u> ;	Deleted: NGC Deleted: NGC Formatted
"Target Frequency"	the Frequency determined by <u>the System Operator</u> in its reasonable opinion as the desired operating Frequency of the Total System . This will normally be 50.00 Hz plus or minus 0.05 Hz, except in exceptional circumstances as determined by <u>the System Operator</u> in its reasonable opinion. An example of exceptional circumstances may be difficulties caused in operating the System during disputes	Deleted: NGC Formatted Deleted: NGC Formatted
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	affecting fuel supplies;	
"Tendered Capability Breakpoints"	as defined in Paragraph 1.4 of Appendix 5 of Schedule 3, Part I;	
"Tenders"	as defined in Paragraph 3.3 of Schedule 3, Part I;	
"Tenderers"	as defined in Paragraph 3.3 of Schedule 3, Part I;	
"Tender Period"	as defined in Paragraph 3.3 of Schedule 3, Part I;	
"Term"	without prejudice to the interpretation of Term in respect of Users acting in other capacities, for Users acting in respect of their Connection Sites which were not Commissioned at the Transfer Date , it means the term of the relevant Bilateral Connection Agreement commencing on the date of the Bilateral Connection Agreement and ending in accordance with Clause 9 of that agreement;	
"Termination Amount"	in relation to a Connection Site , the amount calculated in accordance with the Charging Statements ;	
"Third Party Claim"	as defined in Paragraph 7.5.3;	
"Total System"	the Transmission System and all User Systems in England and Wales <u>and Scotland</u> ;	Deleted: NGC
"Trading Party"	as defined in the Balancing and Settlement Code ;	
"Trading Unit"	as defined in the Balancing and Settlement Code ;	
"Transfer Date"	"24.00" hours on 30th March 1990;	
"Transfer Scheme"	schemes made under sections 65 and 66 of the Act and effected on the Transfer Date ;	
"Transmission Business"	the authorised business of <u>the System Operator</u> or any Affiliate or Related Undertaking in the planning, development, construction and maintenance of the Transmission ;	Deleted: NGC Formatted Deleted: NGC

	<p>System (whether or not pursuant to directions of the Secretary of State made under section 34 or 35 of the Act) and the operation of such system for the transmission of electricity, including any business in providing connections to the Transmission System but shall not include (i) any other Separate Business or (ii) any other business (not being a Separate Business) of <u>the System Operator</u> or any Affiliate or Related Undertaking in the provision of services to or on behalf of any one or more persons;</p>	Deleted: NGC
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"Transmission Entry Capacity"	the figure specified as such as set out in Appendix C of the relevant Bilateral Connection Agreement or Bilateral Embedded Generation Agreement ;	
"Transmission Network Services"	as defined in the <u>System Operator</u> Transmission Licence ;	
"Transmission Network Use of System Charges"	the element of Use of System Charges payable in respect of Transmission Network Services (including for the avoidance of doubt Transmission Network Use of System Demand Reconciliation Charges);	
"Transmission Network Use of System Demand Zone"	each of the zones identified by <u>the System Operator</u> in the Charging Statements for charging of Transmission Network Use of System Charges in relation to Demand ;	Deleted: NGC Formatted
"Transmission Network Use of System Demand Reconciliation Charges"	sums payable by the User to <u>the System Operator</u> under invoices issued to the User pursuant to Paragraph 3.12.7;	Deleted: NGC Formatted
<u>"Transmission Owner" or "TO"</u>	<u>means the holder for the time being of a transmission licence in relation to which licence the Authority has issued a Section D Direction and where Section D remains in effect;</u>	Formatted
"Transmission Services Activity"	as defined in the <u>System Operator</u> Transmission Licence ;	
"Transmission Services Use of System Charges"	the element of Use of System Charges payable in respect of the Transmission	

	Services Activity;	Formatted
"Transmission Substation"	<u>the substation at a Grid Entry Point forming part of the Transmission System;</u>	
"Transmission System" or "TS"	<u>[to be replaced with definition as in the System Operator's Licence]</u>	Deleted: NGC Deleted: the system consisting (wholly or mainly) of high voltage electric lines owned or operated by NGC and used for the transmission of electricity from one Power Station to a sub-station or to another Power Station or between sub-stations or to or from any External Interconnection and includes any Plant and Apparatus and meters owned or operated by NGC in connection with the transmission of electricity but does not include any Remote Transmission Assets
"Triennial Review Date"	as defined in Paragraph 4.1.3.20;	Formatted
"Undertaking"	as defined in section 259 of the Companies Act 1985;	
"Unusual Load Characteristics"	loads which have characteristics which are significantly different from those of the normal range of domestic, commercial and industrial loads (including loads which vary considerably in duration or magnitude).	
"Urgent Amendment Proposal"	an Amendment Proposal treated or to be treated as an Urgent Amendment Proposal in accordance with Paragraph 8.21;	
"Use of System"	use of the Transmission System for the transport of electricity by any Authorised Electricity Operator or Interconnector User or Interconnector Error Administrator ;	Deleted: NGC
"Use of System Application"	an application for a Bilateral Embedded Generation Agreement or for Use of System in the form or substantially in the form set out in Exhibit D or F to the CUSC as appropriate;	
"Use of System Charges"	charges made or levied or to be made or levied by <u>the System Operator</u> for the provision of services as part of the Transmission Business to any Authorised Electricity Operator as more fully described at [Standard Condition C7 and C7A and of Schedule 3] to the <u>System Operator Transmission Licence</u> and in the Bilateral Agreements and Section 3 and Section 9 Part II but shall not include Connection Charges ;	Deleted: NGC Formatted
"Use of System Interconnector"	the part of the Use of System	

Confirmation Notice"	Interconnector Offer and Confirmation Notice by which <u>the System Operator</u> confirms the use of the <u>Transmission System</u> by an <u>Interconnector User</u> or an <u>Interconnector Error Administrator</u> ;	Deleted: NGC Formatted Deleted: NGC
"Use of System Interconnector Offer and Confirmation Notice"	the notice which combines the offer and confirmation in relation to the use of the <u>Transmission System</u> by an <u>Interconnector User</u> or an <u>Interconnector Error Administrator</u> , in the form set out in Exhibit H to the CUSC ;	Deleted: NGC
"Use of System Interconnector Offer Notice"	the part of the Use of System Interconnector Offer and Confirmation Notice by which <u>the System Operator</u> offers an <u>Interconnector User</u> or an <u>Interconnector Error Administrator</u> use of the <u>Transmission System</u> ;	Deleted: NGC Formatted Deleted: NGC
"Use of System Offer"	an offer made by <u>the System Operator</u> to a User pursuant to Paragraph 3.7 or 9.21 substantially in the form of Exhibit G (Use of System Supply Offer) or Exhibit E (Use of System Generation Offer) or Exhibit H (Use of System Interconnector Offer) to the CUSC ;	Deleted: NGC Formatted
"Use of System Payment Date"	the date for payment of Use of System Charges ;	
"Use of System Supply Confirmation Notice"	the part of the Use of System Supply Offer and Confirmation Notice by which <u>the System Operator</u> confirms the use of the <u>Transmission System</u> by a Supplier ;	Deleted: NGC Formatted Deleted: NGC
"Use of System Supply Offer and Confirmation Notice"	the notice which combines the offer and confirmation in relation to the use of the <u>Transmission System</u> by a Supplier , in the form set out in Exhibit G to the CUSC ;	Deleted: NGC
"Use of System Supply Offer Notice"	the part of the Use of System Supply Offer and Confirmation Notice by which <u>the System Operator</u> offers a Supplier use of the <u>Transmission System</u> ;	Deleted: NGC Formatted Deleted: NGC
"Use of System Termination Notice"	the notice to be given to terminate Use of System by a Supplier or an	

	<p>Interconnector User, or an Interconnector Error Administrator in accordance with the CUSC;</p>	
"User"	<p>a person who is a party to the CUSC Framework Agreement other than the System Operator;</p>	<div>Deleted: NGC</div> <div>Formatted</div>
"User Development"	<p>shall have the meaning set out in the Connection Application or the Use of System Application as the case may be;</p>	
"User's Equipment"	<p>the Plant and Apparatus owned by a User (ascertained in the absence of agreement to the contrary by reference to the rules set out in Paragraph 2.12) which:</p> <p>(a) is connected to the Connection Assets forming part of the Transmission System at any particular Connection Site to which that User wishes so to connect, or (b) is connected to a Distribution System to which that User wishes so to connect;</p>	<div>Deleted: NGC</div> <div>Formatted</div> <div>Deleted: NGC</div>
"User's Licence"	<p>a User's licence to carry on its business granted pursuant to Section 6 of the Act;</p>	
"User System"	<p>any system owned or operated by a User comprising Generating Units and/or Distribution Systems (and/or other systems consisting (wholly or mainly) of electric lines which are owned or operated by a person other than a Public Distribution System Operator and Plant and/or Apparatus connecting Generating Units, Distribution Systems (and/or other systems consisting wholly or mainly of electric lines which are owned or operated by a person other than a Public Distribution System Operator or Non-Embedded Customers to the Transmission System or (except in the case of Non-Embedded Customers) to the relevant other User System, as the case may be, including any Remote Transmission Assets operated by such User or other person and any Plant and/or Apparatus and meters owned or operated by such User or other person in connection with the distribution of</p>	<div>Deleted: NGC</div>

	electricity but does not include any part of the Transmission System ;	Deleted: NGC
"Valid"	valid for payment to be made thereunder against delivery of a Notice of Drawing given within the period stated therein;	Formatted
"Value Added Tax"	United Kingdom value added tax or any tax supplementing or replacing the same;	
"Working Group"	a Working Group established by the Amendments Panel pursuant to Paragraph 8.17.1.	

END OF SECTION 11