

SCHEDULE 2 - EXHIBIT 5

DATED [_____]

NATIONAL GRID COMPANY PLC (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 [] 200[].

BETWEEN

- (1) **NATIONAL GRID COMPANY plc** a company registered in England with number 2366977 whose registered office is at 1-3 Strand, London WC2N 5EH ("**NGC**", 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 Licence**, **NGC** 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 registered in **SMRS**.
- (C) The **User** has made a **BELLA Application** and **NGC** is required to make a **BELLA Offer** in accordance with Paragraph 1.5.2 of the **CUSC**.
- (D) As at the date hereof, **NGC** and the **User** are parties to the **CUSC Framework Agreement** (being an agreement by which the **CUSC** is made contractually binding between the parties). This **BELLA** is entered into pursuant to the **CUSC** and shall be read as being governed by it.

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:

"Transmission Reinforcement Works"	those works which in the reasonable opinion of NGC are necessary to extend or reinforce the GB Transmission System in relation to and prior to the User's Equipment being Energised
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2. CONDITIONS PRECEDENT AND COMMENCEMENT

2.1 The rights and obligations of the **User** and **NGC** 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 **NGC**) 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 [Derogations?].

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**, **NGC** 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 in the **BSC**. If, at any time the **Embedded Exemptable Large Power Station** ceases to be **SMRS** registered [and becomes **CMRS** registered] 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**, **NGC** and the **User** shall be entitled to plan and execute outages of parts of, in the case of **NGC**, the **GB 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 **Grid Code** 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 **NGC** reasonably requires such compliance and has specified such a requirement in respect of such **Generating Units** in the **BELLA**.

[5.2 **NGC** 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 **NGC** 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 NGC 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 **NGC** so requires, to **Transmission Reinforcement 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, **NGC** 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 **NGC** and the **User** shall operate respectively the **GB 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 **NGC** 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**

Subject to the provisions for earlier termination set out in the **CUSC**, 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 the **CUSC**.

9. **VARIATIONS**

- 9.1 Subject to 9.2 and 9.3, no variation to this **BELLA** shall be effective unless made in writing and signed by or on behalf of both **NGC** and the **User**.
- 9.2 **NGC** 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** 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 **NGC** to make any such amendment on its behalf and undertakes not to withdraw, qualify or revoke such authority or instruction at any time.

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

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 GRID COMPANY plc)

SIGNED BY)

[name])

for and on behalf of)

[User])

APPENDIX A

THE SITE OF CONNECTION

1. SITE[s] OF CONNECTION

Company :

Site[s] of Connection :

Size of Power Station :

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

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

END OF SCHEDULE 2 - EXHIBIT 5