

AGREEMENT DATED



EDF Energy Networks (EPN) plc

and

[USER COMPANY NAME]

AGREEMENT FOR CONNECTION TO AND USE OF EDF ENERGY NETWORKS (EPN) PLC'S DISTRIBUTION SYSTEM

Agreements Manager
EDF Energy Networks Ltd
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Three Bridges
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THIS AGREEMENT is made this day of 2.....

BETWEEN:

- (1) **EDF Energy Networks (EPN) plc** (registered number 02366906) whose registered office is situate at 40 Grosvenor Place, Victoria, London SW1X 7EN ("the **Company**"); and
- (2) **[ENTER USER COMPANY NAME HERE]** (registered number **[ENTER USER COMPANY NUMBER HERE]**) whose registered office is situate at **[ENTER USER COMPANY ADDRESS HERE]** ("the **User**").

WHEREAS:

- (A) The User wishes the User's Distribution Networks to be and remain connected to the Company's Distribution System at the relevant Connection Points for the purpose of distributing electricity.
- (B) The Company is obliged by Condition 4D of its Licence to offer to enter into an agreement with the User for the of use of the Company's Distribution System in accordance with the requirements set out in Condition 4D of that Licence.
- (C) The Company has agreed to allow the user use of its Distribution System and for the User to be Connected to the Company's Distribution System for the purpose set out above subject to and in accordance with the terms of this Agreement.

1 DEFINITIONS AND INTERPRETATION

In this Agreement except where the context otherwise requires the following expressions shall have the meanings set opposite them:

- "Act"** the Electricity Act 1989;
- "Amount"** means the aggregate of available amounts of each outstanding Letter of Credit and Qualifying Guarantee plus the principal amount (if any) of cash that the User has placed in the Escrow Account (and which has not be repaid to the User or withdrawn by the Company in accordance with the Fifth Schedule); and, in relation to a Letter of Credit "available amount" means the face amount thereof less (i) payments already made thereunder and (ii) claims made there under but not yet paid;
- "Application for a Modification"** the form of Application for a Modification set out in the Second Schedule;
- "Apparatus"** all equipment in which electrical conductors are used, supported or of which they may form part;
- "Authority"** means the Gas and Electricity Markets Authority as established by Section 1 of the Utilities Act 2000;
- "Balancing and Settlement Code" or BSC"** the Balancing and Settlement Code dated 14 August 2000, including all Party Service Lines and BSC Procedures (as therein defined) made under it;

“Charges”	means the charges (exclusive of Value Added Tax) the method of calculation of which is set out in Parts 1 and 2 of the Fourth Schedule;
“Charging Period”	the period specified in the Fourth Schedule or if no period is so specified, a calendar month;
“Commencement Date”	means the date upon which signed copies of this Agreement are exchanged or if later the date upon which all of the conditions set out in Clause 2 are satisfied;
“Company’s Equipment”	the Electric Lines and Electrical Plant that is or is to be provided and installed by the Company for the purposes of providing a Connection at the Connection Point and includes Metering Equipment installed by the Company pursuant to Clause 14.8;
“Company’s Premises”	any land or buildings of the Company in which any of the User’s Electric Lines and/or Electric Plant is to be installed or is for the time being situate, and whether or not housed in the User’s Premises;
“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 of the European Union and any other;
“Condition 4A Statement”	means the statement of the basis of charges for Connection published by the Company in accordance with Condition 4A of the Licence;
“Condition 36 Statement”	means the statement of charges for Distributor Metering and Data Services (as defined in the Licence) for the time being in force published by the Company in accordance with Condition 36 of the Licence;
“Connection Equipment”	those Electric Lines and that Electric Plant which are to be provided and installed by the Company for the purposes of providing a connection at the Connection Points listed in Section 3 of the First Schedule and (where appropriate) illustrated in the diagram(s) listed in Section 5 of the First Schedule;
“Connection”	the installation of the Connection Equipment in such a way that subject to Energisation and the terms of this Agreement electricity may flow between the Company’s Distribution System and the User’s Distribution Network at the Connection Point and cognate expressions shall be construed accordingly;

“Connection Point”	means any of the points of connection listed in Section 3 of the First Schedule at which electricity may flow between the Distribution System and the User’s Distribution Network upon Energisation;
“Cover”	the aggregate amount for the time being which the User shall be required by the Company to provide and maintain in accordance with the Fifth Schedule;
“Data”	means Metering Data or, in the case where both parties have agreed in writing to dispense with Metering Equipment and have agreed in writing an estimation methodology in lieu of Metering Equipment, electricity estimated in accordance with that methodology to have been transported across the Connection using the estimation methodology;
“Data Transfer Service Agreement”	means the agreement dated 30th July 1997 between the data transfer service controller and users of the data transfer service;
“De-energisation”	the operation of any switch gear or the removal of any fuse or the taking of any other step whereby no electrical current can flow through the Connection Point between the Distribution System and the User’s Distribution Network and cognate expressions shall be construed accordingly;
“Demand”	has the meaning given to that term in the Distribution Code;
“Disconnection”	means the removal of all or any of the Connection Equipment so that Energisation is not possible and cognate expressions shall be construed accordingly;
“Distribution Code”	the distribution code referred to in the Licence;
“Distribution System”	has the same meaning as that term is defined in the Licence;
“DGNU Payment”	the ‘Distributed Generation Network Unavailability Payment’ compensation mechanism created by the Authority to make compensation payments for network outages experienced by customers with Distributed Generation and implemented according to the arrangements set out in the Company’s published ‘Statement of the Use of System Charging Methodology for EDF Energy’s Electricity Distribution Systems’;

“Electric Lines”	means any line which is used for carrying electricity for any purpose and includes, unless the context otherwise requires:- <ul style="list-style-type: none"> (i) any support for any such line, that is to say, any structure, pole or other thing in, on, by or from which any such line is or may be supported, carried or suspended; and (ii) any Apparatus connected to any such line for the purpose of carrying electricity; and (iii) any wire, cable, tube, pipe or other similar thing (including its casing or coating) which surrounds or supports, or is surrounded or supported by, or is installed in close proximity to, or is supported, carried or suspended in association with such line;
“Electrical Plant”	means any plant, equipment, apparatus or appliance used for, or for purposes connected with the generation, transmission, distribution or supply of electricity other than: <ul style="list-style-type: none"> (i) an Electric Line; (ii) Metering Equipment; (iii) an electrical appliance under the control of a consumer;
“Electricity Distribution Licence”	an licence to distribute electricity granted to the User under Section 6(1)(c) of the Act;
“Electricity Distribution Licence Exemption”	an electricity distribution licence exemption that may apply to the User under Section 5(1) of the Act;
“Energisation”	means the operation of any switch gear, the insertion of any fuse, the making of any joint or the taking of any other step so as to enable an electrical current to flow through the Connection Point between the Distribution System and the User’s Distribution Network and cognate expressions shall be construed accordingly;
“ESPR”	the Electricity (Standards of Performance) Regulations 2005 SI 1019;
“Exempt”	falling within an exemption in Schedule 3 of the Electricity (Class Exemptions from the Requirements for a Licence) Order 2001;
“Failure Payment”	the payment of a prescribed sum pursuant to the ESPR;

“Force Majeure”	any event or circumstance which is beyond the reasonable control of either party and which results in or causes the failure of that party to perform any of its obligations under this Agreement 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, 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 the application of Good Industry Practice by the party seeking to be relieved of its obligations under this Agreement, governmental restraint, Act of Parliament, other legislation, bye law and Directive (not being any order, regulation or direction under Section 32, 33, 34 or 35 of the Act) or the failure of any generator or NGC to supply the Company with electricity or any deficiency in such supply. Lack of funds shall not be interpreted as a cause beyond a party’s reasonable control;
“Good Industry Practice”	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;
“kVA”	kilovolt amperes;
“kW”	kilowatts;
“Licence”	the Company’s electricity distribution licence granted under Section 6(1)(c) of the Act;
“Master Registration Agreement” or “MRA”	means the agreement of that name dated 1 June 1998;
“Material Effect”	an effect causing a party to effect any works or to alter the manner of operation of the Company’s Equipment or the User’s Installation (as the case may be) which in either case involves that party in expenditure of more than £1,000;
“Maximum Export Capacity”	means, in respect of each Connection Point or in respect of each of the User’s Distribution Networks, as appropriate, the maximum capacity of electricity expressed in kVA on a Root Mean Square basis which may flow from the User’s Distribution Network or through each Connection Point to the Company’s Distribution System as specified in Section 3 of the First Schedule, and as amended in accordance with the provisions of Clause 15 hereof;

"Maximum Import Capacity"

means, in respect of each Connection Point or in respect of each of the User's Distribution Networks, as appropriate, the maximum capacity of electricity expressed in kVA on a Root Mean Square basis which may flow from the Company's Distribution System through each Connection Point or to the User's Distribution Network as specified in Section 3 of the First Schedule, and as amended in accordance with the provisions of **Clause 15** hereof;

"Metering Data"

means the data from the Metering Equipment collected by the User and provided to the Company or the data collected by the Company from the Metering Equipment installed by the Company pursuant to this Agreement;

"Metering Equipment"

the metering equipment and any associated telecommunications equipment compliant with **Clause 14.2** and installed pursuant to **Clause 14.1 and Clause 14.8**;

"Metering Point"

means the point, determined according to the principles and guidance given at Schedule 9 of the Master Registration Agreement, at which a supply to (export) or from (import) a Distribution System:

- (i) is or is intended to be measured; or
- (ii) if Metering Equipment has been removed, was or was intended to be measured; or
- (iii) in the case of an Unmetered Supply under the Unmetered Supplies Procedure, is deemed to be measured,

where in each case such measurement is for the purposes of ascertaining the User's liabilities under this Agreement;

"Meter Operator"

means a person appointed by the User to provide the services described in Condition 36B paragraphs 1(a) and 1(b) of the Licence in relation to the Connection Point and Accredited by the Accreditation Authority (as defined in the Balancing and Settlement Code, as amended from time to time);

"Metering Services"

means the provision of metering and data services to monitor the flow of electricity to and from the Metering Point;

"Modification"

any actual or proposed replacement, renovation, modification, alteration or construction by or on behalf of a party to either that party's Plant or Apparatus or the manner of its operation at the Connection Point which has or will have a Material Effect on the other party at the Connection Point;

"Modification Offer"	an offer by the Company to the User made pursuant to Clause 5 of terms for connection in relation to any proposed Modification at or affecting the Connection Point including any revision or extension of such offer;
"NGC"	The National Grid Company plc;
"Payment Date"	means the date for payment of any account submitted to the User pursuant to this Agreement;
"Plant"	fixed and movable items other than Apparatus;
"Premises"	any land or buildings of the User in which any of the Company's Equipment is to be installed or is for the time being situate including the premises specified in Section 1 of the First Schedule;
"Property Documents"	means the documents listed in Section 11 of the First Schedule
"Qualifying Guarantee"	means a guarantee in favour of the Company and in such form as may be agreed between the Company and the User and which is provided by an entity which holds an Approved Credit Rating;
"Re-energise"	means the taking of steps, in accordance with Good Industry Practice after the De-energisation of the Connection Point, to allow the flow of electricity through the Connection Point between the Company's Distribution System and the User's Distribution Network;

- “Relevant Instruments”**
- (a) the Act and all subordinate legislation made under the Act as amended from time to time;
 - (b) the Data Protection Act and all subordinate legislation made under it as amended from time to time;
 - (c) the Electricity Distribution Licence and the Licence, and any determination or notice made or issued by the Authority pursuant to the terms thereof;
 - (d) the Settlement Agreement;
 - (e) the Data Transfer Service Agreement;
 - (f) the Master Registration Agreement;
 - (g) the Connection and Use of System Code; and
 - (h) the Balancing and Settlement Code;

and whether under any of the foregoing or otherwise, all authorisations, approvals, licences, exemptions, filings, registrations, notarisations, consents and other matters, which are required, or which the Company acting in accordance with Good Industry Practice would obtain, in connection with the provision of the services under this Agreement, of or from any Competent Authority;

“the Regulations” the Electricity Safety, Quality and Continuity Regulations 2002;

“Standard Failure” an event described in the ESPR that gives rise to a Failure Payment;

“Technical Conditions” means the Technical Conditions shown in the First Schedule;

“Use of System Charges” the charges the method of calculation of which is set out in Part 1 of the Fourth Schedule, such charges and any variations thereto shall be calculated in accordance with (i) the Company’s statement of charges for the use of the Distribution System (for the time being in force) issued pursuant to Condition 4 of the Licence, (ii) the Company’s statement issued pursuant to Condition 36 of the Licence and (iii) the Company’s statement issued pursuant to Condition 48 of the Licence;

“User’s Equipment” the Electric Lines and Electrical Plant owned or operated by the User;

“User’s Premises” any land or buildings of the User in which any of the Company’s Equipment is to be installed or is for the time being situate, and whether or not housed in the Company’s Premises;

“User’s Distribution Network(s)”	the User’s Distribution System as the same is defined in the licence granted to the User pursuant to Section 6(1) (c) of the Act;
“Working Day”	means all days of the week excluding Saturday and Sunday and any public holidays in England and Wales.

- 1.2 In this Agreement, unless the context requires otherwise, any reference to:
- 1.2.1 “a clause” is a reference to a clause hereof.
 - 1.2.2 “a Schedule” is, subject to any contrary indication, a reference to a schedule hereto.
 - 1.2.3 the word “including” is to be construed without limitation.
 - 1.2.4 Any reference in this Agreement to a statute, statutory instrument, regulation or order shall be construed as a reference to such statute, statutory instrument, regulation or order as amended or re-enacted from time to time.
 - 1.2.5 Any reference in this Agreement to the licence or another agreement or any deed or other instrument shall be construed as a reference to that licence, that other agreement, deed or other instrument as the same may have been, or may from time to time be, amended, varied, supplemented or novated.
 - 1.2.6 Any reference in this Agreement to the masculine shall include the feminine and any reference to the singular shall include the plural and vice versa in each case.
 - 1.2.7 Clause headings are for ease of reference only.

2 COMMENCEMENT, DURATION AND CONNECTION

- 2.1 Subject to **Clause 3.2** this Agreement will commence on the Commencement Date and will continue in force until terminated in accordance with **Clause 17**.
- 2.2 From the Commencement Date, the Company shall provide and the User shall be entitled to use the Distribution System only insofar as necessary for the transport of electricity to or from the Connection Points listed in Section 3 of the First Schedule.
- 2.3 This Agreement shall govern the terms upon which
 - 2.3.1 each Connection Point to the User’s Distribution Network listed in Section 3 of the First Schedule shall be connected and be entitled to remain connected to the Distribution System; and
 - 2.3.2 the Company shall distribute electricity through the Connection Point with effect from the Commencement Date, and this Agreement shall supersede any prior agreements or arrangements between the Company and the User in respect of the Connection Point and the User’s Distribution Network.

3 THE USER’S RIGHT TO BE CONNECTED AND REMAIN TO CONNECTED THE DISTRIBUTION SYSTEM

- 3.1 Subject to the terms of this Agreement the User shall have the right for the User’s Distribution Network to be Connected and to remain Connected to the Distribution System at each Connection Point and subject to **Clause 5.1** the right to be and remain Energised.
- 3.2 The provisions of **Clauses 3.1, 4, 14, and 19** inclusive of this Agreement are conditional upon the continued fulfilment of each of the following conditions precedent:

- 3.2.1 the User holding and continuing to hold an Electricity Distribution Licence or being Exempt in which event this Agreement shall be conditional also upon the Company having obtained from the Authority (free from condition or subject to such conditions as the Company may approve in its absolute discretion) consent under Condition 29 of the Company's Licence required for the disposal of any relevant asset as defined in the Licence to enable it to effect a disposal, as defined within the Licence;
 - 3.2.2 the Company holding the Licence;
 - 3.2.3 each of the parties being party to the Connection and Use of System Code and any necessary supplemental agreement pursuant to it;
 - 3.2.4 each of the parties being a party to the Balancing and Settlement Code;
 - 3.2.5 where the User does not have an Approved Credit Rating, provision by the User of any Cover that may be required by the Company in accordance with the Fifth Schedule.
 - 3.2.6 any lease or licence granted to the User by the Company or any Affiliate of the Company remaining in full force and effect;
 - 3.2.7 the licence granted by the Company's landlord permitting use of alteration of and or sub-letting of the Company's Premises for the connection of the User's Distribution Network to the Company's Distribution System and any related third party consent remaining in full force and effect.
 - 3.2.8 the User complying with the Technical Conditions set in the First Schedule.
 - 3.2.9 The Company at all times being entitled without cost to it to:-
 - a. occupy the Premises; and
 - b. exercise the rights created by the Property Documentsand upon the expiry or termination of the rights created thereby for so long thereafter upon the same terms as are contained in the Property Documents as Connection of the Customer's Installation (to whomsoever the same may from time to time belong) to the Distribution System may be required and lawfully continued.
 - 3.2.10 The User complying with Clause 14.1 – 14.3 inclusive prior to the Company connecting the User's Distribution Network to the Company's Distribution System.
- 3.3 Once each of the conditions precedent in **Clause 3.2.1 – 3.2.8 inclusive** has been fulfilled, each party shall use reasonable endeavours to keep such conditions precedent relating to it fulfilled throughout the term of this Agreement.

4 THE USER'S RIGHT TO USE THE DISTRIBUTION SYSTEM

- 4.1 Subject to the terms of this Agreement, the Company shall distribute electricity from the Company's Distribution System to each Connection Point and receive electricity at each Connection Point into the Company's Distribution System up to the relevant Maximum Import Capacity and Maximum Export Capacity and subject to such variations (if any) as may be permitted by the Regulations.
- 4.2 The obligation of the Company to distribute electricity to or to receive electricity from each Connection Point pursuant to **Clause 4.1** is subject to:
 - 4.2.1 the User being authorised by its Electricity Distribution Licence to distribute electricity;
 - 4.2.2 this Agreement being in full force and effect;

- 4.2.3 where required, the Company having received written confirmation that the User has given notice of the Connection Point to NGC and entered into necessary agreements with NGC pursuant to the Connection and Use of System Code; and
- 4.2.4 the Company not being entitled under Schedule 6 of the Act to refuse to furnish a supply of electricity, or cut-off a supply of electricity then being furnished through its Distribution System to the relevant Connection Point; and
- 4.2.5 Without prejudice to Clause 3.2.9 if the Company shall cease to be entitled to occupy the Premises and/or exercise the rights in any of the Property Documents upon their terms all the costs and expenses to be incurred by the Company in securing any permissions rights and/or any interests in land to enable it to provide a Connection of the Customer's Installation to the Distribution System shall be borne in advance by the Customer as shall all costs arising from the removal and/or de-commissioning of any Electric Lines and/or Electrical Plant used in providing a Connection to the Distribution System save where termination occurs on account of termination of the Property Documents by any act or omission of the Company.

5 ENERGISATION, DE-ENERGISATION AND RE-ENERGISATION

- 5.1 The Company shall De-Energise the Connection Point as soon as reasonably practicable after being instructed in writing to do so by the User.
- 5.2 The Company may at any time with no prior notice or liability to the User De-energise the Connection Point if:
 - 5.2.1 it is instructed to do so by NGC pursuant to the terms of the Connection and Use of System Code as amended from time to time;
 - 5.2.2 it is instructed to do so pursuant to the terms of the Balancing and Settlement Code as amended from time to time;
 - 5.2.3 it reasonably considers it necessary to do so for safety or Distribution System security reasons;
 - 5.2.4 it reasonably considers it necessary to do so to avoid interference with the regularity or efficiency of the Distribution System;
 - 5.2.5 any of the conditions in **Clause 3.2** cease to be satisfied;
 - 5.2.6 an accident or emergency occurs or may occur and the Company considers it appropriate to do so to avoid the risk of personal injury to any person or physical damage to the property of any person;
 - 5.2.7 this Agreement is terminated in accordance with the provision of **Clause 17**;
 - 5.2.8 it is permitted to do so pursuant to **Clauses 9.4, 10.3 and 14.2** or otherwise under the terms of this Agreement. In these circumstances the Company shall inform the User as soon as reasonably practicable and in any event by the end of the next Working Day.
- 5.3 In connection with any De-energisation of the Connection Point pursuant to **Clauses 5.2**;
 - 5.3.1 the Company shall decide on the extent and nature of the De-energisation Works reasonably required to De-energise the Connection Point; and, save in the case of De-energisation under **Clause 5.2.7**,
 - 5.3.2 the Company shall Re-energise the Connection Point as soon as reasonably practicable after the circumstances giving rise to such De-energisation has ended;except where the Company resolves to De-energise the Connection Point pursuant to **Clauses 5.2.1, 5.2.2, 5.2.3, 5.2.4, or 5.2.6**, following termination of this Agreement by the User under **Clause 17** the Company shall undertake the De-energisation and the

subsequent Re-energisation at the cost of the User and the User shall pay the Company on demand, the relevant charges which will be based on the principles set out in the Condition 4A Statement and the Condition 36 Statement.

- 5.4 The User shall not be entitled to Re-energise the Connection Point except when acting upon the written instructions of the Company's Control Engineer under Section 8 of the First Schedule where specific control authority has been given by the Company's Control Engineer.
- 5.5 If at any time when the User does not have a right for the Connection Point to be (and remain) Energised the User nevertheless receives a supply of electricity through the Connection Point the User shall pay to the Company forthwith upon demand such sum as the Company may require for such supply of electricity calculated in accordance with the Company's published Condition 4A Statement for the time being in force together with such other costs, losses and expenses as the Company has incurred reasonably as a result thereof.
- 5.6 This Agreement shall not give the User any right to a supply of electricity and the Company makes no warranty to the User in relation thereto. The Company shall be entitled to plan and execute outages of the Distribution System and the Company's Equipment at any time and from time to time in accordance with Good Industry Practice.
- 5.7 If the Connection Point is De-energised or Disconnected, the User shall pay to the Company on demand any costs incurred by the Company as a result of such De-energisation or Disconnection and any subsequent Re-energisation or Re-connection.
- 5.8 Upon Disconnection of the User's Equipment at any Connection Point the User's entitlement to occupy the Company's Premises (or those of any Affiliate of it) in relation to that Connection Point shall cease simultaneously with such Disconnection and the User shall immediately vacate the same.

6 PAYMENT OF CHARGES FOR USE OF SYSTEM

- 6.1 The User shall pay charges to the Company in respect of:-
- 6.1.1 the use of the Distribution System; and
 - 6.1.2 the provision of Metering Services
- 6.2 The Company may vary the Charges at any time upon giving to the User 40 days written notice.
- 6.3 The Company shall submit to the User as soon as reasonably practicable after the end of each Charging Period an account specifying the payment due from the User in respect of use of the Distribution System and services referred to in the Fourth Schedule performed during that period together with any Value Added Tax payable thereon.
- 6.4 Within 14 days of the date of an account being submitted in accordance with this **Clause 6** the User shall pay to the Company all sums due in respect of such account in pounds sterling by electronic transfer of funds to such bank account (located in the United Kingdom) as is specified in the statement, quoting the invoice number against which payment is made.
- 6.5 On any occasion upon which the Charges paid by the User under **Clause 6.1** have not been calculated in accordance with the Condition 4A Statement and/or the Condition 36 Statement (each in their terms at the date of calculation) an appropriate adjustment shall be made by the Company and submitted to the User. If:
- 6.5.1 the adjustment is in favour of the User, the Company shall repay to the User the amount by which the User has been overcharged together with interest thereon from the date upon which payment of the overcharge was made by the User until the date

of repayment. Where payment of the invoice has been charged in instalments the amount overcharged shall be deemed to have been made on the date on which the most recent instalment was paid. Such interest shall accrue from day to day during such period at the base lending rate of HSBC Bank Plc, compounded annually; or

6.5.2 the adjustment is in favour of the Company, the User shall pay to the Company the amount, by which the User has been undercharged together in the case of all charges which are not transactional charges with interest thereon from the date of the invoice in which the Company considers that the amount undercharged should have been included until the date of payment. Such interest shall accrue from day to day during such period at the base lending rate of HSBC Bank Plc, compounded annually.

Where the User disputes the adjustment, the parties in good faith shall attempt to resolve the dispute in good faith. Where the dispute remains unresolved after 20 Working Days either party may refer the dispute to arbitration in accordance with **Clause 25** and the parties agree to pay the amount payable or repayable (if any) as determined thereby.

6.6 All Use of System Charges payable by the User pursuant to this **Clause 6**;

6.6.1 are exclusive of Value Added Tax and the Company may add to such amounts and the User shall pay Value Added Tax (if any) at the rate applicable thereto from time to time and Value Added Tax shall be payable at the same time and in the same manner as the amounts to which it relates;

and

6.6.2 shall be without prejudice to any claims or rights which the User may have against the Company and except as expressly permitted by Schedule 5 shall be made without any set-off or deduction in respect of any claims or disputes or otherwise

6.7 The Company shall invoice Use of System Charges (but excluding any charges calculated by reference to number or frequency of specific transactions) by reference to the Data.

6.8 The Company may charge the User Use of System Charges calculated by reference to electricity discovered to have been transported (or reasonably and properly assessed to have been transported) through) the Connection Point but not recorded by the Connection Point Metering Equipment (for whatever reason) at the time of transportation or not otherwise included within the Data. At any time when the Company charges the User Use of System Charges under this Clause, the calculation of those charges will, be in accordance with the Condition 4A Statement.

6.9 The User shall pay to Company the charges set out in the relevant Schedule or if no such charge is specified in this Agreement or agreed between the parties the Condition 4A Statement or Condition 36 Statement for any services provided under this Agreement.

6.10 The User shall provide Cover in accordance with the provisions of the Fifth Schedule.

6.11 Failure to pay any sum due in accordance with Clause 6.4 shall be construed as a payment default. Where the User is in payment default the Company shall send a Notice to the User advising of:

(i) the amount owed, identifying as appropriate the invoices to which the payment default relates;

(ii) to whom payment should be made;

(iii) the method of payment

6.12 The Company shall, in addition to any other remedies (including those available in Schedule 5 with respect to Cover), be entitled to exercise its statutory right to levy administration charges and interest subject to the Late Payment of Commercial Debts (Interest) Act 1998 if amounts due are not paid according the terms in Clause 6.4.

6.13 Failure to remedy a payment default within 4 Working Days of a notice issued under **Clause 6.11** shall be a material breach of the agreement.

7 MODIFICATIONS

7.1 No Modification may be made by or on behalf of either party otherwise than in accordance with the provisions of this **Clause 7**.

7.2 If the User wishes to make a Modification it shall complete and submit to the Company an Application for a Modification in the form shown in the Second Schedule and comply with the terms thereof.

7.3 As soon as reasonably practicable but no later than 3 calendar months after receipt by the Company of the Application for a Modification, (save where the Authority consents to a longer period) the Company shall make a Modification Offer to the User. The Modification Offer shall include the form of any variations the Company requires to this Agreement and its Schedules. During such period the parties shall discuss the implications of the proposed Modification(s).

7.4 The Modification Offer will be open for acceptance in accordance with its terms for 3 months from the date upon which the Modification Offer is sent to the User unless either the Company or the User makes an application to the Authority under Condition 4E of the Licence in which case the Modification Offer shall remain open for acceptance until the date 14 days after any determination by the Authority pursuant to such application. If the Modification Offer is accepted by the User this Agreement shall be varied to reflect the terms of the Modification Offer and the Modification shall proceed according to the terms of this Agreement as varied.

7.5 The Company may make any alteration to the Distribution System whether at or remote from the Connection Point. Where such alteration requires a Modification to the Connection Point, the Company shall give the User reasonable notice of such proposed Modification and the parties shall negotiate any amendments which they consider necessary to this Agreement as a result.

7.6 The User may as soon as practicable after any request by the Company under **Clause 7.5** consult with it over the proposed Modification and (save where the Authority consents to a longer period) within the period stated therein (which shall be sufficient to enable the User reasonably to assess the implications of the proposed Modification) make an application to the Authority under Condition 4 of the Licence.

7.7 As soon as practicable after the receipt of notification of the Modification or, if an application to the Authority has been made, the determination by the Authority, and in any event within 2 months thereof, the User shall submit to the Company an Application for a Modification and shall comply with the terms thereof.

7.9 Subject to the payment of its reasonable charges, if any, as provided in this **Clause 7.9** the Company will provide advice and assistance reasonably requested by the User to enable the User to assess the implications, including the feasibility, of making a Modification to the User's Installation. If the Modification under consideration by the User is or may be required as a result of a Modification required by the Company, then the Company shall provide such reasonable advice and assistance free of charge. If the proposed Modification is or may be proposed by the User, the Company may charge the User such amount as is reasonable in all the circumstances for such advice and assistance. The provision of such advice and assistance shall be subject to the terms of this Agreement.

7.10 The Company shall have no obligation to compensate the User for the cost and expense of any modification required to be made by the User as a result of any Modification by the Company.

8 LIMITATION OF LIABILITY

8.1 Neither party shall be liable for any breach of this Agreement directly or indirectly caused by Force Majeure.

8.2 Subject to **Clauses 8.6 and 8.9** and save as provided in this **Clause 8.2** and **Clause 8.3** hereof and save for where any provision of this Agreement provides for an indemnity neither party (the "Party Liable") nor any of its officers, employees or agents shall be liable to the other party for loss arising from any breach of this Agreement, breach of statutory duty, any tortious (including negligent) act or omission or otherwise other than for loss directly resulting from such breach and/or tortious (including negligent act or omission) and which at the date hereof was reasonably foreseeable as likely to result in the ordinary course of events from such breach and/or tortious (including negligent) act or omission and which resulted from physical damage:

(A) to the property of the other party, its officers, employees or agents; or

(B) or the liability of such other party to any customer or any person connected to the Distribution System.

Provided that the liability of either party in respect of claims for such loss shall not exceed £1 million per incident or series of related incidents.

Further provided that the Company shall be entitled to deduct from any sums payable by way of compensation for loss or damage under the Agreement, any sums payable by the Company in respect of Use of System under the Agreement.

8.3 Nothing in this Agreement shall exclude or limit the liability of the Party Liable for death or personal injury resulting from the negligence of the Party Liable, or any of its officers, employees or agents and the Party Liable shall indemnify and keep indemnified the other party, its officers, employees or agents from and against all such and any loss or liability which such other party may suffer or incur by reason of any claim on account of death or personal injury resulting from the negligence of the Party Liable or any of its officers, employees or agents.

8.4 Subject to **Clauses 8.6 and 8.9** neither party, nor its officers, employees or agents shall in any circumstances whatsoever be liable to the other party for:

(A) any economic loss including loss of profit, loss of anticipated savings, loss of revenue, loss of use, loss of contract or loss of goodwill; or

(B) any indirect or consequential loss; or

(C) loss resulting from the liability of such other party to any other person howsoever and whensoever arising save as provided in **Clause 8.2**.

8.5 The rights and remedies provided by this Agreement to the parties are exclusive and not cumulative and exclude and are in place of all substantive (but not procedural) rights or remedies express or implied and provided by common law or statute in respect of the subject matter of this Agreement, including without limitation any rights the parties may possess in tort which shall include without limitation actions brought in negligence and/or nuisance.

8.6 Save as otherwise expressly provided in this Agreement, this **Clause 8** insofar as it excludes or limits liability shall override any other provision of this Agreement, provided that nothing in this **Clause 8** shall exclude or restrict or otherwise prejudice or affect any of:

(A) the rights, powers, duties and obligations of either party which are conferred or created by the Act, the Licence, or the Regulations; or

(B) the rights, powers, duties and obligations of the Authority or the Secretary of State under the Act, the Licence or otherwise howsoever.

- 8.7 Each of the sub Clauses of this **Clause 8** shall:
- (A) be construed as a separate and severable contract term, and if one or more of such sub clauses is held to be invalid, unlawful or otherwise unenforceable the other or others of such sub clauses shall remain in full force and effect and shall continue to bind the parties; and
 - (B) survive termination of this Agreement.
- 8.8 Each party agrees that the other party holds the benefit of **Clauses 8.2 and 8.3 and 8.4** above for itself and as trustee and agent for its officers, employees and agents.
- 8.9 The Company shall have no liability to the User to pay to any person the DGNU Payment other than in respect of the Premises listed section 9 of the First Schedule.
- 8.10 The Company's liability to the User to pay to any person the DGNU Payment in respect of the Premises listed in section 9 of the First Schedule shall be limited as provided in section 10 thereof.

9 THE USER'S DISTRIBUTION NETWORKS

- 9.1 The User shall ensure compliance at all times with its Electricity Distribution Licence (if any), the Regulations and any statutes, statutory instruments, regulations or orders in respect of the User's Distribution Networks which are binding on the User.
- 9.2 Save where express written representations are made by the Company, neither by inspection, if any, or acceptance, nor otherwise howsoever, does the Company give any warranty, expressed or implied, as to the adequacy, safety, or other characteristics of the User's Distribution Networks and the Company shall not be responsible therefore.
- 9.3 The User hereby acknowledges that the Company may use whatever type of equipment of whatever nature that it may select. Without limiting the foregoing, the User acknowledges that the Company may use, switchgear with auto-reclosing facilities, and the User hereby acknowledges and agrees that (i) the User's Installation should be designed so as not to suffer damage through the operation of such facilities and (ii) notwithstanding any provision of **Clause 8** to the contrary, the Company shall have no liability for any damage to the extent (if any) such damage is attributable to the use by the Company of auto-reclosing facilities.
- 9.4 If the User takes a supply of electricity from the Distribution System, or permits the User's customers or a group of them to take an electricity supply from the Distribution Networks for the operation of any equipment or produce electricity onto the Distribution Networks which during the normal operation of the Distribution System adversely affects or impairs voltage regulation or impairs the supply of electricity to the User, customers or others supplied from the Distribution System (or in the reasonable opinion of the Company may do so) the User (i) shall in relation to its own supply of electricity, and (ii) shall procure in respect of User's customers supplies of electricity, and (iii) in both instances at the User's own expense remedy the condition in accordance with Good Industry Practice to the satisfaction reasonable of the Company (and if the condition is not remedied within 14 days of the Company giving notice to the User of such condition the Company may forthwith De-energise the Connection Point until such condition has been so remedied) and pay to the Company on demand the full amounts of all substantiated costs losses and expenses thereby caused to the Company.
- 9.5 Subject to **Clause 7** the User shall not and shall procure that User's customers shall not connect any electricity generating plant or any alternative source of electrical energy to the Distribution System directly or indirectly without the prior written consent of the User unless otherwise provided for by the ESQCR and such consent if granted may be conditional upon *inter alia* the User agreeing Technical Conditions. Where prior consent is required from the User this is conditional on prior written consent having been given by the Company to the

User and such consent, if granted to the User, may be conditional upon *inter alia* the User agreeing Technical Conditions. Where prior consent is not required from the User, such as when notified by the User's customers that they have connected electricity generating plant of an electrical output for which the ESQCR requires no prior consent for connection, the User shall notify the Company. Where the User or User's customers possess an emergency back-up electricity generation plant, the User or User's customers may utilise such plant at such times if a supply of electricity is not available from the Distribution System provided that the User shall or shall procure that the User's customers first isolate such generating plant from the Company's Distribution System.

- 9.6 The User shall provide the Company at the Commencement Date, or as soon as possible thereafter, its customer services contact telephone number and its email address, a list of all metering point MPANs, addresses and postcodes installed on the User's Distribution Network and such other information as the parties agree may be useful in identifying customers connected to the User's Distribution Network. The User will provide the Company with up to date information immediately following any changes to such information.
- 9.7 If the Company shall be asked to visit any Premises of a customer of the User and the Company in its absolute discretion shall decide to do so then whether or not the Company shall carry out and work the Company will charge the User for the visit and any work undertaken for it.
- 9.8 Where an act or omission by the Company causes the User to incur a Standard Failure pursuant to the ESPR then the terms within this Clause 9.8 shall apply.
- 9.8.1 Where a User's customer contacts the Company, the Company shall advise that customer to contact the User and shall, subject to Clauses 9.8.3, 9.8.4 and 9.8.5, be under no further obligation with regard to that event or claim.
- 9.8.2 Where a User's customer experiences an event that gives rise to a Failure Payment in relation to that customer's premises the User shall make the payment to the customer or their electricity supplier and shall be responsible for any further Failure Payments arising from the User's not having made such payment within the prescribed time.
- 9.8.3 **Supply restoration**
Where the User has reason to believe that a loss of supply to its customers arose from Severe Weather as defined in Regulation 6 of the ESPR the User shall ask the Company to confirm this and the Company shall respond within 24 hours of such a request.
Where there has been a concurrent loss of supply from Connection Points to a relevant User's Distribution Network which as a consequence caused a loss of supply to the User's customer's premises that caused a Standard Failure pursuant to Regulation 5 or Regulation 6 in relation to that customer's premises, the Company shall reimburse the User for Failure Payments made to the User's customers in respect of Standard Failures concurrent with that concurrent loss of supply at the Connection Points in accordance with Clause 9.8.8, save that the Company shall have no liability where the User's Distribution Network had alternative Connection Points from which concurrent supply capability continued to be available so as to prevent or mitigate loss of supply.

9.8.4 **Multiple Interruptions**

Where a User's customer in relation to that customer's premises experiences multiple interruptions that give rise to a Failure Payment being made by the User pursuant to Regulation 9 of the ESPR, the Company shall reimburse the User for that proportion of the Failure Payment made to the User's customers calculated by dividing the number of interruptions experienced as a consequence of interruptions at the Connection Point(s) by four, save that the Company shall have no liability for loss of supply where the User's Distribution Network had alternative Connection Points from which concurrent supply capability continued to be available so as to prevent or mitigate losses of supply relevant to this Clause 9.8.4. The User shall pass the customer's claim to the Company as part of the supporting information required in Clause 9.8.8. Where more than 4 interruptions have been experienced by the User's customer, only the first 4 consecutive events listed in the customer's claim shall be considered in calculating the Company's liability.

9.8.5 **Notice of interruptions**

Where the Company has failed to give notice to the User of a planned interruption pursuant to Regulation 12 and the User has received a claim from its customer that gives rise to a Standard Failure Payment under paragraph (6) of Regulation 12 of the ESPR in respect of the same planned interruption, the Company shall reimburse the User for Failure Payments made to the User's customers in respect of Standard Failures in accordance with Clause 9.8.8.

9.8.6 **Fuse failure**

If an action or inaction by Company gives rise to a Standard Failure in respect of a User's customer's premises pursuant to Regulation 10 of the ESPR, the Company shall reimburse the User for Failure Payments made to the User's customers in respect of Standard Failures in accordance with Clause 9.8.8.

9.8.7 **Voltage complaint**

If an action or inaction by Company gives rise to a Standard Failure in respect of a User's customer's premises pursuant to Regulation 12 of the ESPR, the Company shall reimburse the User for Failure Payments made to the User's customers in respect of Standard Failures in accordance with Clause 9.8.8.

- 9.8.8 Within 14 days after the end of a calendar month, the User shall give notice to the Company detailing Standard Failure Payments that it has made to customers in the calendar month together with supporting information and the amount it believes the Company should reimburse.
The Company may dispute the reimbursement amount detailed in the User's notice. Within 14 days of receipt of the User's notice, the Company shall pay to the User the amount of the User's notice as is not in dispute.

10 **POWER FACTOR AND PHASE BALANCE**

- 10.1 The User shall take all reasonable steps to maintain the power factor of any flow of electricity through the Connection Point at or as near to unity as practicable but at not less than 0.95 lagging and the User shall comply at its own expense with such requirement as the Company may make as to the installation by the User of such Plant and Apparatus as may be necessary to ensure that the power factor of such flow of electricity through the Connection Point is not less than 0.95. Any capacitors or other devices provided by the User for power factor improvement purposes shall be so controlled as to ensure that the total capacitance connected to the User's Distribution Network at any time is not greater than that required to produce a power factor of unity at that time.
- 10.2 The User shall ensure as far as it is reasonably practicable that the demand at the Connection Point is at all time balanced between the phases.

- 10.3 If the User fails to comply with **Clause 10.1 or 10.2** the Company may in its reasonable discretion De-Energise the Connection Point until the causes of the failure are remedied; the User shall pay to the Company on demand the costs of any such De-Energisation and any subsequent Re-energisation. If the User is unable to remedy the situation within a reasonable time, the Company may require a Modification to be made to the Company's Equipment and/or the User's Distribution Network.

11 COMPLIANCE WITH DISTRIBUTION CODE

- 11.1 The parties undertake with each other to comply with all provisions of the Distribution Code applicable to them except to the extent detailed in any applicable derogation set out in Section 6 of the First Schedule (if any).
- 11.2 In the event of any conflict between this Agreement and the Distribution Code the Distribution Code shall prevail.

12 INTERFERENCE

- 12.1 Each party shall ensure that its agents, employees and invitees will not interfere in any way with any of the Plant and/or Apparatus, or any other relevant assets of the other without the consent of the other.

13 RIGHTS OF ACCESS

- 13.1 Where the Company's Equipment is situated upon the User's Premises or where the Company's Premises are within the boundary of the User's Premises the User shall procure that the Company and those authorised by it shall at all times be entitled to enter the User's Premises or Company's Premises through the User's Premises in connection with the exercise of rights under **Clauses 5 and 7** and inspecting, testing, repairing, renewing, maintaining, isolating, protecting or removing the Company's Equipment, reading of meters and pursuant to paragraphs 7, 8, 9 and 10 of Schedule 6 of the Act and for any other purpose required for the operation of the Distribution System and shall be given safe and unobstructed access thereto. Any individuals to whom access is given pursuant to this **Clause 13.1** shall comply with all reasonable directions given by the User and its appropriately authorised employees and agents as to general safety and site security requirements relating to access onto or through the User's Premises including such operating arrangements as may be set out in Section 8 of the First Schedule.
- 13.2 Where the User's Equipment is situated upon the Company's Premises or where the User's Premises are within the boundary of the Company's Premises the Company shall procure that the User and those authorised by it as are reasonably necessary shall be entitled to enter the Company's Premises or User's Premises through the Company's Premises at convenient times and upon reasonable notice for the purposes of carrying out modification works under **Clauses 5 and 7** and inspecting, testing, repairing, renewing, maintaining, isolating, protecting or removing the User's Equipment or any part thereof, reading of meters and shall be given safe access thereto. Any individuals to whom access is given pursuant to this **Clause 13.2** shall comply with all reasonable directions given by the Company and its appropriately authorised employees and agents as to general safety and site security requirements relating to access onto or through the Company's Premises including such operating arrangements as may be set out in Section 8 of the First Schedule.

14 METERING DATA AND METERING EQUIPMENT

- 14.1 Unless the parties agree in writing to dispense with Metering Equipment, the User shall install, and maintain or procure the installation and maintenance of the Connection Point Metering Equipment at or as close as reasonably practicable to the Connection Point, the costs of which shall be borne by the User.
- 14.2 Subject to Clause 14.1, where Metering Equipment is installed it shall be capable of providing the relevant Metering Data required by the Company for the calculation of Use of System Charges and such Metering Equipment shall comply with the requirements for metering functionality and data requirements detailed in the Sixth Schedule. The Company shall not be obliged to transport a supply of electricity through the Connection Point unless and until the necessary Metering Equipment has been installed or, the parties have agreed in writing to dispense with Metering Equipment at the Connection Point.
- 14.3 Metering Equipment shall operate within the accuracy limits specified in Part 1 of the Sixth Schedule.
- 14.4 The Metering Data or Data will be collected by the User and provided to the Company in accordance with the arrangements set out in Part 3 of the Sixth Schedule. The Metering Data or Data may be used by the Company for any purpose including:
- 14.4.1 the calculation of Use of System Charges; and
 - 14.4.2 the operation and planning of the Distribution System
- and the Company shall not use the Metering Data or Data for any other purpose or provide the Metering Data or Data to any third party or affiliate, unless required to do so by the Authority or any government body or pursuant to any Relevant Instrument, unless it has the prior written approval of the User.
- 14.5 The User shall not change or modify the type of Metering Equipment without the Company's prior written consent.
- 14.6 The Company shall be entitled to inspect and test the Metering Equipment and if it is found not to be operating in accordance with **Clause 14.2** the User shall immediately correct the Metering Equipment. The User shall provide or procure that the employees, agents, sub-contractors and invitees of the Company shall at all reasonable times have safe and unobstructed access to the Metering Equipment. Where the parties agree to dispense with Metering Equipment the Company shall be entitled to carry out reasonable checks on agreed alternative arrangements to satisfy itself that the such arrangements provide the Data to the accuracy specified in the Sixth Schedule.
- 14.7 The User shall submit Metering Data to the Company for the relevant Connection Point with key references included with the Metering Data in accordance with the Seventh Schedule to uniquely identify the relevant Connection Point and to uniquely identify the Metering Data as Import Metering Data or Export Metering Data for the relevant Connection Point.
- 14.8 If the User shall not have installed Metering Equipment pursuant to Clause 14.1 and/or the User shall not maintain the same at any time after installation in accordance with Clause 14.1 and/or the Metering Equipment installed by the User is not capable at any time of providing the relevant Metering Data and/or does not comply with the requirements for metering functionality and/or the Data Requirements detailed in the Sixth Schedule and/or the User fails to provide Metering Data in accordance with this Agreement then in any such event the Company at its absolute discretion and at the User's cost shall be entitled to install Metering Equipment at or as close as reasonably practicable to the Connection Point and the Metering Data derived from such Metering Equipment shall be that which is used by the Company for the purposes for Clause 14.4. All the costs from time to time incurred by the Company under this Clause 14.8 shall be borne by the User and shall be added to the invoice from time to time submitted by the Company in respect of the Use of System Charges.

14.9 The User shall indemnify (and keep indemnified) the Company against all costs, claims, demands, proceedings and liabilities whatsoever and howsoever arising from the installation and/or removal of the Metering Equipment installed pursuant to Clause 14.8 and/or its subsequent maintenance and/or the collection of any relevant Metering Data therefrom pursuant to Clause 14.8.

15 LIMITATION OF DEMAND AND EXPORT

15.1 The User shall not and shall procure that none of the User's customers at any time take electricity through a Connection Point that exceeds the Maximum Import Capacity of the relevant Connection Points or exceeding the Maximum Import Capacity of the relevant User's Distribution Networks set out in the First Schedule. If the Maximum Import Capacity of the relevant Connection Points or relevant User's Distribution Networks is exceeded, the Company may give written notice to the User requiring it to reduce its import below the Maximum Import Capacity. If the User has not complied with such requirements within three days of receipt of such notice, the Company reserves the right to De-Energise the relevant Connection Point or relevant User's Distribution Network until such time as the User is able to satisfy the Company that the Maximum Import Capacity will not be exceeded upon the relevant Connection Point or the relevant User's Distribution Network being Re-Energised.

15.2 Where the User or any of the User's customers operate generating plant which exports electricity onto the Company's Distribution System through the Connection Point the User shall not and shall procure that none of the User's customers shall operate the generating plant in such a way that exceeds the Maximum Export Capacity of the relevant Connection Points or exceeds the Maximum Export Capacity of the relevant User's Distribution Networks set out in the First Schedule. If the Maximum Export Capacity of the relevant Connection Points or relevant User's Distribution Networks is exceeded the Company may give notice in writing requiring the User to reduce its export below the Maximum Export Capacity. If the User has not complied with such requirement with in three days of receipt of such written notice, the Company reserves the right to De-Energise the relevant Connection Point or relevant User's Distribution Network until such time as the User is able to satisfy the Company that the Maximum Export Capacity will not be exceeded upon the relevant Connection Point or relevant User's Distribution Network being Re-Energised.

15.3 Where the Maximum Import Capacity or the Maximum Export Capacity of the relevant Connection Point or relevant User's Distribution Network set out in the First Schedule is exceeded the User shall pay to the Company the reasonable additional costs incurred by the Company as a result thereof, including the costs of De-Energising the relevant Connection Point pursuant to **Clause 15.1 or Clause 15.2** and any subsequent Re-Energisation.

15.4 The User may vary either the Maximum Import Capacity or the Maximum Export Capacity of the relevant Connection Point or relevant User's Distribution Network set out in the First Schedule by giving 28 days' notice in writing thereof to the Company except where such variation requires a Modification to be carried out by the Company. Where a Modification is required, the parties will proceed in accordance with the provisions of **Clauses 7.2, 7.3 and 7.4.**

15.5 A notice served pursuant to **Clause 15.4** to reduce the Maximum Import Capacity or the Maximum Export Capacity of the relevant Connection Point or relevant User's Distribution Network set out in the First Schedule shall not take effect earlier than the relevant earliest date for reduction in capacity (if any) specified in the First Schedule of this Agreement.

15.6 The User shall not vary the Maximum Import Capacity or the Maximum Export Capacity of the relevant Connection Point or relevant User's Distribution Network set out in the First Schedule pursuant to Clause 15.4, more than once in any 12 month period.

16 ASSIGNMENT AND SUBCONTRACTING

- 16.1 The User shall not assign this Agreement without the prior written consent of the Company which consent will not be withheld unreasonably provided that;
- 16.1.1 the assignee holds a current electricity distribution licence issued by the Authority, and
- 16.1.2 the User has simultaneously procured the unconditional execution and exchange of an underlease, on terms equivalent to the existing underlease or underleases, of that part of the Premises then occupied by the Company under the terms of the underlease included in the Property Documents or any addition thereto or replacement thereof.
- 16.2 Either party shall have the right to sub contract or delegate the performance of any of its obligations or duties arising under this Agreement including activities envisaged by the Distribution Code without the prior consent of the other. The sub contracting by the Company or the User of the performance of any obligations or duties under this Agreement or of any activities envisaged by the Distribution code shall not relieve the Company or the User (as the case may be) from liability for performance of such obligation or duty.

17 TERM, EVENTS OF DEFAULT AND TERMINATION

- 17.1 This Agreement shall continue until terminated in accordance with this **Clause 17**.
- 17.2 This Agreement shall continue in force until terminated;
- 17.2.1 by the User giving 3 months' notice in writing (or such lesser period as may be agreed between the parties)
- 17.2.2 by the Company giving the User 3 months' notice in writing (or such lesser period as may be agreed between the parties) save that for so long as the Company is required to offer terms for Use of Distribution System to the User pursuant to the Licence, such termination shall be effective unless the User notifies the Company within 14 days of the date of the Company's notice that it requires replacement terms to be entered into pursuant to Condition 4D of the License.
- 17.3 If:
- (A) the User shall fail to pay (other than by inadvertent error in funds transmission which is discovered by the Company, notified to the User and corrected within 2 Working Days thereafter) any amount properly due or owing by pursuant to the terms of this Agreement and such default is not remedied upon the expiry of 7 Working Days immediately following receipt by the User of written notice from the Company of such non-payment; or
- (B) the User shall fail in any material respect to perform or comply with any of its obligations under this Agreement and (if it is capable of remedy) it is not remedied within 30 days of receiving written notice from the Company of the occurrence thereof; or
- (C) (1) an interim order or bankruptcy order is made in respect of the User under the Insolvency Act 1986 or a voluntary arrangement is proposed in respect of him; or
- (2) an order of the High Court is made or an effective resolution passed for the insolvent winding up or dissolution of the User; or
- (3) a receiver (which expression shall include an administrative receiver within the meaning of Section 29 of the Insolvency Act 1986) of the whole or any material part of the assets or undertaking of the User is appointed; or

- (4) an administration order under Section 8 of the Insolvency Act 1986 is made or if a voluntary arrangement is proposed under Section 1 of that Act in respect of the User; or
- (5) the User enters into any scheme of arrangement (other than for the purpose of reconstruction or amalgamation upon terms and within such period as may previously have been approved in writing by the Authority); or
- (6) the User is unable to pay its debts (within the meaning of Section 123(1) or (2) of the Insolvency Act 1986) and in any such case within 28 days of his appointment the trustee in bankruptcy, liquidator, receiver, administrative receiver, administrator, nominee or other similar officer has not provided to the Company a guarantee of future performance by the User in such form and amount as the Company may require,

such event shall be an event of default.

17.4 Upon an event of default pursuant to **Clause 17.3** the Company without prejudice to its other rights and remedies shall have the following rights:-

17.4.1 to terminate this Agreement;

17.4.2 to damages resulting from such event of default;

17.4.3 to an injunction or equitable relief, or to make restitution of amounts improperly received; and

17.4.4 to set off any amounts then due and owing by the User to the Company against amount payable by the Company to the User.

17.5 Upon termination of this Agreement the User shall allow the Company at its sole option to enter the User's Premises in order to remove the Company's Equipment and shall pay to the Company all sums then due and payable or accrued due under this Agreement and any costs incurred by the Company in Disconnecting an Connection Point and removing the Company's Equipment and/or the User's Equipment and re-instating the Company's Premises or those of any Affiliate.

17.6 Termination of this Agreement shall not affect any rights or obligations which may have accrued prior to termination or resulting from the event giving rise to the right to terminate and shall not affect any continuing obligations which survive termination.

17.7 **Clauses 3, 8, 10, 15, 18, 19, 22, 23, 24, 25 and 26** shall survive termination of the Agreement.

17.8 Upon termination of this Agreement for any reason whatsoever the User shall pay to the Company the charges due or owing to the Company pursuant to **Clauses 6 and 7** together with any, costs, fees and expenses properly incurred by the Company as a result of such termination, and the User shall pay the same within 28 days of the date of an invoice submitted by the Company.

17.9 Upon the termination of this Agreement for any reason whatsoever any lease or licence to occupy under which the User is tenant or occupier of the Company's Premises or those of any Affiliate shall terminate simultaneously and the User shall vacate the same immediately.

18 FORCE MAJEURE

18.1 If either party shall be unable to carry out any of its obligations under this Agreement due to any circumstance of Force Majeure this Agreement shall remain in effect but save as otherwise provided herein both parties' obligations other than any obligation as to payment of Charges shall be suspended without liability for a period equal to the circumstance of Force Majeure provided that:

- (A) the suspension of performance is of no greater scope and of no longer duration than is required by the Force Majeure;
- (B) no obligations of either party that arose before the Force Majeure causing the suspension of performance are excused as a result of the Force Majeure; and
- (C) the non-performing party uses all reasonable efforts to remedy its inability to perform.

19 NON-WAIVER

- 19.1 None of the provisions of this Agreement shall be considered waived by either party except when such waiver is given in writing.
- 19.2 No delay by or omission of either party in exercising any right, power, privilege or remedy under this Agreement or the Distribution Code shall operate to impair such right, power, privilege or remedy or be construed as a waiver thereof. Any single or partial exercise of any such right, power, privilege or remedy shall not preclude any other future exercise thereof or the exercise of any other right, power, privilege or remedy.

20 ENTIRE AGREEMENT

- 20.1 This Agreement, including the Schedules, shall constitute the entire agreement between the parties with respect to its subject matter and supersedes all previous agreements and understandings between the parties with respect thereto and each of the parties acknowledges and confirms that it does not enter into this Agreement in reliance on any representation or warranty or other undertaking not fully reflected in the terms of this Agreement, and no amendment, modification or substitution hereto shall be effective unless executed in writing by both parties.

21 GOVERNING LAW

- 21.1 This Agreement shall be governed by and construed in all respects in accordance with the law of England and Wales.

22 DISPUTES RESOLUTION

- 22.1 Save where expressly stated in this Agreement to the contrary, and subject to any contrary provisions of the Act, any licence issued pursuant to the Act or the Electricity Safety Quality and Continuity Regulations 2002 (or any other regulations made under Section 29 of the Act), or the rights, powers, duties and obligations of the Authority or the Secretary of State under the Act, any such licence or otherwise howsoever, any dispute or difference of whatever nature howsoever arising under out of or in connection with this Agreement between the parties shall be and is hereby referred to arbitration in such form as the parties agree and failing any agreement, in such form as the President for the time being of the Institute of Electrical Engineers shall decide.
- 22.2 Whatever the nationality, residence or domicile of either party and wherever the dispute or difference or any part thereof arose the law of England shall be the proper law of any reference to arbitration hereunder and in particular (but not so as to derogate from the generality of the foregoing) the provisions of the Arbitration Act 1996 shall apply to any such arbitration wherever the same or any part of it shall be conducted.
- 22.3 Subject always to **Clause 22.5**, if any third party brings any legal proceedings in any court (as defined in the Rules of the Supreme Court 1965 and in the County Courts Act 1984) against any party (the "Defendant Party") and the Defendant Party wishes to make a third

party claim (as defined in **Clause 22.4**) against the other party which would but for this **Clause 22.3** have been a dispute or difference referred to arbitration by virtue of **Clause 22.1** then, notwithstanding the provisions of **Clause 22.1** which shall not apply and in lieu of arbitration, the court in which the legal proceedings have been commenced shall hear and completely determine and adjudicate upon the legal proceedings and the third party claim not only between the third party and the Defendant Party but also between either or both of them and the other party whether by way of third party proceedings (pursuant to the Rules of the Supreme Court 1965 or the County Court Rules 1981) or otherwise as may be ordered by the court.

22.4 For the purpose of this **Clause 22** “third party claim” shall mean:

- (A) any claim by a defendant Party against the other Party (whether or not already a party to the legal proceedings) for any contribution or indemnity; or
- (B) any claim by a Defendant party against the other party for any relief or remedy relating to or connected with the subject matter of the legal proceedings and substantially the same as some relief or remedy claimed by the third party; or
- (C) any requirement by a Defendant Party that any question or issue relating to or connected with the subject matter of the legal proceedings should be determined not only as between the third party and the defendant Party but also as between either or both of them and the other Party (whether or not already a party to the legal proceedings).

22.5 **Clause 22.3** above shall apply only if at the time the legal proceedings are commenced no arbitration has been commenced between the Defendant Party and the other party raising or involving the same or substantially the same issues as would be raised by or involved in the third party claim. The tribunal in any arbitration which has been commenced prior to the commencement of legal proceedings shall determine the question, in the event of dispute, whether the issues raised or involved are the same or substantially the same.

23 VARIATIONS

23.1 No variations to this Agreement shall be effective unless made in writing and signed by or on behalf of both parties. The Company and the User shall effect any amendment required to be made to this Agreement by the Authority as a result of a change in the Licence or an order made pursuant to the Act or as a result of settling any of the terms hereof and 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.

23.2 Either party shall at any time be entitled to propose variations to this Agreement by notice in writing to the other party. The Company and the User shall negotiate in good faith the terms of any such variation, but if a variation to the Agreement has not been agreed and put into effect within one month after it has been proposed, either party shall be entitled to refer the matter to the Authority, pursuant to Condition 4C of the Licence, as if the variation were a new agreement as referred to in that condition. The parties shall give effect to the determination of the Authority and shall enter into any agreement supplemental to this Agreement as shall be necessary to give effect to any variation agreed or so determined.

24 SAVINGS CLAUSE

If any provision of this Agreement is or becomes or is declared invalid, unenforceable or illegal by the courts of any jurisdiction to which it is subject or by order of the Commission of the European Communities or by order of the Secretary of State such invalidity, unenforceability or illegality shall not prejudice or affect the remaining provisions of this

Agreement which shall continue in full force and effect notwithstanding such invalidity, unenforceability or illegality.

25 NOTICES

- 25.1 Any notice, demand, certificate or other communication including the serving of any legal proceedings required to be given or sent under this Agreement shall be in writing and either delivered personally or by first class post, courier or facsimile.
- 25.2 The required address, or facsimile number for a party for the purposes of this Clause shall be the address, telex or facsimile number specified for such purpose in the Third Schedule.
- 25.3 A notice or other form of communication shall be deemed to have been served as follows:
- (A) if given or delivered personally at the time when given or delivered;
 - (B) if sent by prepaid first class post at the expiration of forty eight hours after the document was delivered into the custody of the postal authorities;
 - (C) if sent by facsimile, upon production by the sender's equipment of a transmission report indicating that the fax was sent to the fax number of the recipient without error.

In proving such service it shall be sufficient to prove that personal delivery was made or that the envelope containing the notice was properly addressed as set out above and delivered into the custody of the postal authorities as a prepaid first class letter as the case may be.

26 CONFIDENTIALITY

- 26.1 In this **Clause 26** Confidential Information means:
- 26.1.1 any information (whether in writing, in disc or electronic form or otherwise) which has been properly disclosed by a party under this Agreement but which would usually be considered to be confidential; and
- 26.1.2 any information which is marked as confidential or which is provided together with a covering letter or fax indicating its confidential nature.

Each party agrees to keep and to ensure that its personnel shall keep all Confidential Information received from the other party secret and confidential and not at any time for any reason whatsoever dispose of them or permit them to be disclosed to any third party except where permitted hereunder to enable the receiving party to carry out its duties and obligations. The receiving party shall ensure that its personnel and other of its employees, agents, consultants and professional advisers having access to any of the Confidential Information shall be subject to the same obligations as that party and it shall take all reasonable steps to ensure that its employees, agents, consultants and professional advisers are made aware of such obligations. The obligations of confidence referred to herein shall not apply to any confidential information which:

- (a) Is in the possession of and is at the free disposal of the receiving party in the public domain;
- (b) Is or becomes publicly available on a non confidential basis through no fault of the receiving party;
- (c) Is received in good faith by the receiving party from a third party who on reasonable inquiry by that party claims to have no obligation of confidence to the other party in respect of it and who imposes no obligation of confidence upon the other party in respect of it;

- (d) Either party is required to disclose to comply with the requirements of a recognised Stock Exchange or the Director General of Electricity Supply or with any statutory or regulatory obligation.

The obligations of the parties under this Clause shall survive the expiry or termination of this Agreement for whatever reason.

27 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

The parties to this Agreement do not intend that any of its terms will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person not a party to it.

SPECIMEN

IN WITNESS whereof the hands of the duly authorised representatives of the parties.

Signed by: Designation:

for and on behalf of the User Date:

Signed by: Designation:

for and on behalf of the Company Date:

SPECIMEN

THE FIRST SCHEDULE - CAPACITY AND TECHNICAL CONDITIONS

CONTENTS

SECTION 1 -	CONNECTION ARRANGEMENTS
SECTION 2 -	DECLARATIONS OF CAPACITY REQUIREMENTS
SECTION 3 -	CONNECTION POINTS
SECTION 4 -	SITE SPECIFIC TECHNICAL CONDITIONS FOR USER'S DISTRIBUTION NETWORKS AND ASSOCIATED CONNECTION POINTS
SECTION 5 -	GEOGRAPHIC AND OPERATIONAL DIAGRAMS
SECTION 6 -	TECHNICAL DEROGATIONS
SECTION 7 -	ASSET OWNERSHIP AND RESPONSIBILITY SCHEDULES
SECTION 8 -	OPERATIONAL ARRANGEMENTS
SECTION 9 -	DISTRIBUTED GENERATION CONNECTED TO USER'S DISTRIBUTION NETWORKS
SECTION 10 -	EXCLUSION AND LIMITATIONS OF LIABILITY FOR DISTRIBUTED GENERATION UNAVAILABILITY PAYMENT
SECTION 11 -	PROPERTY DOCUMENTS

SPECIMEN

SECTION 1 - CONNECTION ARRANGEMENTS

An additional part to this Schedule will be required for each additional User Distribution Network to be supplied.

SPECIMEN

CONNECTION ARRANGEMENTS	
NAME OF USER DISTRIBUTION NETWORK	[NAME OF USER DISTRIBUTION NETWORK]
1(a) General Address of User Distribution Network:	[GENERAL ADDRESS OF THE USER DISTRIBUTION NETWORK]
1(b) Address to which accounts should be sent:	DUoS Billing Manager [ENTER BILLING ADDRESS FOR THE USER DISTRIBUTION NETWORK HERE]
2.	The Commencement Dates relevant to the specific Connection Points associated with this User Distribution Network shall be the Commencement Date as stated for the specific Connection Point in the Third Section of the First Schedule.
3.	Points of Connection The points of connection to the User Distribution Network specified in paragraph 1(a) above are as agreed between the parties as contained in Section 3 of The First Schedule.
4.	The Metering Equipment shall be equipment at each metered Connection Point appropriate for measuring all registrations required by the Company as approved from time to time.

SPECIMEN

SECTION 2 - DECLARATIONS OF CAPACITY REQUIREMENTS

An additional part to this Schedule will be required for each additional User Distribution Network to be supplied.

SPECIMEN

DECLARATIONS OF CAPACITY REQUIREMENTS

NAME OF USER DISTRIBUTION NETWORK	[ENTER NAME OF USER DISTRIBUTION NETWORK HERE]	
1 Period of Notice	[ENTER HERE] Month	
2 Capacities		
2(a) Maximum Import Capacity for the User Distribution Network specified in Schedule 1 - Section 1 - 1(b) *	[ENTER HERE] kVA [Enter User Network KVAr import and/or User Network kW import as additional information if these are limiting factors]	
	Earliest Date for reduction	[ENTER DD/MM/YYYY HERE]
2(b) Maximum Export Capacity for the User Distribution Network specified in Schedule 1 - Section 1 - 1(b) *	[ENTER HERE] kVA [Enter User Network KVAr export and/or User Network kW export as additional information if these are limiting factors]	
	Earliest Date for reduction	[ENTER DD/MM/YYYY HERE]
<p>* The User Distribution Network's connection to the Company's Distribution System comprises Connection Points detailed in The First Schedule – Section 3 and where single or multiple Connection Points provide the above stated aggregate capacity for the User Distribution Network technical conditions may apply that restrict the maximum import and export capacity of each individual Connection Point individually or in simultaneous aggregate capacity and these shall be stated in The First Schedule – Section 4</p>		

SECTION 3 - CONNECTION POINTS

An additional part to this Schedule will be required for each additional User Distribution Network to be supplied.

SPECIMEN

CONNECTION POINTS

NAME OF USER DISTRIBUTION NETWORK		[ENTER NAME OF USER DISTRIBUTION NETWORK HERE]	
CONNECTION POINT	[ENTER NAME OF CONNECTION POINT HERE, REPLICATE BLOCK FOR MULTIPLE CONNECTION POINTS]		
	Commencement Date at which this specific Connection Point is included in this Agreement		[ENTER DD/MM/YYYY HERE]
	Grid Reference of Connection Point		[ENTER LANDRANGER GRID SQUARE PLUS EIGHT DIGITS, e.g. TL12341234 HERE]
	Name of Feeding Company Substation		[ENTER NAME OF FEEDING COMPANY SUBSTATION HERE]
	50Hz	50Hz	Voltage: [ENTER CONNECTION VOLTAGE AND TOLERANCE, e.g. 11kV ± 6% HERE]
	3 phase	3 phase	Current: Alternating
	Maximum Import Capacity	[ENTER HERE] kVA [Enter Connection Point KVAr import and/or Connection Point kW import as additional information if these are limiting factors]	Maximum Export Capacity

SECTION 4 - SITE SPECIFIC TECHNICAL CONDITIONS FOR USER'S DISTRIBUTION NETWORKS AND ASSOCIATED CONNECTION POINTS

An additional part to this Schedule will be required for each additional User Distribution Network to be supplied.

SPECIMEN

SITE SPECIFIC TECHNICAL CONDITIONS FOR USER'S DISTRIBUTION NETWORKS AND ASSOCIATED CONNECTION POINTS	
NAME OF USER DISTRIBUTION NETWORK	[ENTER NAME OF USER DISTRIBUTION NETWORK HERE]
GENERAL CONDITIONS	
<p>The User must inform the Company of any connection of Low Voltage generation up to 16 Ampere per phase in advance or at the time of installation.</p> <p>The User must discuss and obtain prior consent from the Company for any connection of generation at EHV, HV</p> <p>The User must discuss and obtain prior consent from the Company for any connection of generation at Low Voltage where the rating exceeds 16 Ampere per phase or where connection of more than one low voltage generator not exceeding 16 Ampere per phase is planned.</p>	
CONNECTION POINT NAME	[ENTER NAME OF CONNECTION POINT HERE, REPLICATE BLOCK FOR MULTIPLE CONNECTION POINTS]
Technical Conditions	[ENTER ANY TECHNICAL CONDITIONS HERE]

SECTION 5 - GEOGRAPHIC and OPERATIONAL DIAGRAMS

An additional part to this Schedule will be required for each additional User Distribution Network to be supplied.

SPECIMEN

GEOGRAPHIC and OPERATIONAL DIAGRAMS	
NAME OF USER DISTRIBUTION NETWORK	[ENTER NAME OF USER DISTRIBUTION NETWORK HERE]
CONNECTION POINT NAME	[ENTER NAME OF CONNECTION POINT HERE, REPLICATE BLOCK FOR MULTIPLE CONNECTION POINTS]
	<p>CONNECTION POINT SITE GEOGRAPHIC PLAN (INDICATING BOUNDARIES AND SUBSTATION LOCATIONS)</p> <p>This map plan is NOT to scale stated and is for 'indicative' substation locational information only.</p> <p style="text-align: center;"><u>SHOWN ON THE FOLLOWING PAGE</u></p>

SPECIMEN

[ENTER GEOGRAPHIC PLAN HERE]

SPECIMEN

NAME OF USER DISTRIBUTION NETWORK	[ENTER NAME OF USER DISTRIBUTION NETWORK HERE]
CONNECTION POINT NAME	[ENTER NAME OF CONNECTION POINT HERE, REPLICATE BLOCK FOR MULTIPLE CONNECTION POINTS]
	<p>CONNECTION POINT OPERATION DIAGRAM (INDICATING COMPANY DISTRIBUTION SYSTEM SUPPLYING USER DISTRIBUTION NETWORK AND INDICATING COMPANY/USER OPERATIONAL BOUNDARY)</p> <p>[ENTER OPERATIONAL DIAGRAM HERE]</p>

SPECIMEN

SECTION 6 - TECHNICAL DEROGATIONS

An additional part to this Schedule will be required for each additional User Distribution Network to be supplied.

SPECIMEN

TECHNICAL DEROGATIONS	
[ENTER NAME OF USER DISTRIBUTION NETWORK HERE]	[ENTER NAME OF USER DISTRIBUTION NETWORK HERE]
<p>No technical derogations apply.</p> <p>[ENTER TECHNICAL DEROGATIONS HERE AND REMOVE “No technical derogations apply.” AS ABOVE]</p>	

SPECIMEN

SPECIMEN

SECTION 7 - ASSET OWNERSHIP AND RESPONSIBILITY SCHEDULES

An additional part to this Schedule will be required for each additional User Distribution Network to be supplied.

Definitions

COMPANY - As defined within this Agreement.

USER - As defined within this Agreement.

MOP - Meter Operator
As appointed by the USER as required under the terms of this Agreement.

SPECIMEN

SCHEDULE OF OWNERSHIP AND RESPONSIBILITIES

NAME OF USER DISTRIBUTION NETWORK		[ENTER NAME OF USER DISTRIBUTION NETWORK HERE]						
SUBSTATION / LOCATION	ASSET TYPE / DESCRIPTION / REFERENCE	OWNED BY	SITE MANAGER	SAFETY MANAGEMENT SYSTEM	CONTROLLED BY	OPERATED BY	MAINTAINED BY	AT COST OF
[ENTER SUB./LOC. NAME HERE]	<u>Substation Building</u>	Company	Company	Company	Company	Company	Company	Company ¹
[REPEAT NAME]	<u>Metering*</u>	User	User	User	User	User	User	User *
		* Metering provided by the User in accordance with this Agreement						
[REPEAT NAME]	<u>Metering Switchgear</u> [Name]	Company	Company	Company	Company	Company	Company	Company ¹
[REPEAT NAME]	<u>Feeder cables</u> connecting to Metering Switchgear	Company	Company	Company	Company	Company	Company	Company ¹
[REPEAT NAME]	<u>Outgoing User Cables</u> from within and up to substation boundary	User	Company	Company	Company	Company	Company	User
[REPEAT NAME]	<u>Outgoing User Cables</u> from..... beyond substation boundary	User	User	User	User	User	User	User

¹ Charges for renewal or maintenance of sole use assets are subject to EDF Energy's Methodology and Statement of Basis of Connection Charges.

SECTION 8 - OPERATIONAL ARRANGEMENTS

An additional part to this Schedule will be required for each additional User Distribution Network to be supplied in order to define those aspects that supersede the General Operating Arrangements For All Sites set out below or to explicitly confirm no site specific operating arrangements exist.

OPERATING ARRANGEMENTS GENERAL ARRANGEMENTS FOR ALL USER DISTRIBUTION NETWORKS

1. DIVISION OF RESPONSIBILITY FOR CONTROL MAINTENANCE AND OPERATION

1(a) All [High Voltage] apparatus on the Company's side of the Connection Point shall be controlled and operated by the Company. Maintenance of all apparatus on the Company's side of the Connection Points shall be the responsibility of the Company.

1(b) [High Voltage] apparatus on the User's side of the Connection Points shall be the responsibility of the User.

Drawings contained within Schedule 1 – Section 6 indicate the operational boundaries which shall apply.

2. SWITCHING OPERATIONS ON COMPANY CONTROLLED APPARATUS

To comply with Regulation 12 of the Electricity at Work Regulations 1989, the User may, in an emergency, trip the Company's Metering circuit breakers by remote emergency tripping facility provided by the Company but the Company's Control Engineer must be informed immediately afterwards.

Energisation (or any subsequent Re-Energisation) or any non-emergency De-energisation of the Connection Point shall only be performed by the Company's authorised staff to the direct instructions of the Company's Control Engineer.

Isolating and earthing operations on all high voltage apparatus controlled by the Company shall only be performed by the Company's authorised staff to the direct instructions of the Company's Control Engineer.

**OPERATING ARRANGEMENTS
GENERAL ARRANGEMENTS FOR ALL USER DISTRIBUTION NETWORKS**

3. WORK ON HIGH VOLTAGE EQUIPMENT

All work on high voltage apparatus controlled by the Company shall be carried out in accordance with the Company's current issue of the Company's Safety Rules, and Supporting Documents, including Safety Documents.

Where such apparatus is capable of being energised from switchgear under the control of the User, the User shall provide the Company with an Operation, Isolation and Earthing (OIE) Certificate* confirming actions taken to ensure safety and, where requested, demonstrate that the actions taken are appropriate in the circumstances.

All work on high voltage apparatus controlled by the User shall be carried out in accordance with the User's current arrangements OIE certificate(s) being provided by the Company when necessary. When requested, any work by the Company's staff shall be carried out under the Company's/Approved User's Safety Document procedures utilising, where necessary, OIE certificate(s) provided by the User or the Company.

* Form for OIE certificate can be provided.

4. LOCKING OF SWITCHGEAR

On all the Company controlled switchgear, the Company's locks shall be used to secure:

- (a) all opening facilities, apart from those specified in paragraph 2 above,
- (b) all closing facilities,
- (c) all isolation and earthing facilities.

Responsibility for locking User controlled apparatus rests with the User.

5. IRREGULARITIES OF SUPPLY

All faults or irregularities on both the Company's and User's high voltage equipment shall be reported immediately to the Company's Control Engineer.

6. COMMUNICATION WITH THE CONTROL ENGINEER

The Company's staff are on are on duty at all times in the Company's Control Centre.

When speaking to the Company's Control Centre the User's Representative should identify themselves and the substation they are calling about. Reports should be clear and concise.

The Company's Control Centre can be contacted on;

EDF Energy Networks (EPN) plc- 'East of England Network' only
01473 255431

7. COMMUNICATIONS WITH THE USER'S DUTY ENGINEER

User's Duty Engineer may be contacted as follows:

[ENTER USER's DUTY ENGINEER CONTACT DETAILS HERE]

**OPERATING ARRANGEMENTS
GENERAL ARRANGEMENTS FOR ALL USER DISTRIBUTION NETWORKS**

8. RESTRICTIONS

The User shall not connect or permit to be connected, without prior agreement, such agreement not to be unreasonably withheld, any generation equipment with individual or aggregate electrical output exceeding 16 amperes per phase at low voltage or any generation equipment operating at higher than low voltage.

SPECIMEN

USER DISTRIBUTION NETWORK SPECIFIC OPERATING ARRANGEMENTS	
NAME OF USER DISTRIBUTION NETWORK	[NAME OF USER DISTRIBUTION NETWORK]
Site Specific Technical Condition may apply and are listed in Section 5 of the First Schedule. [ENTER SITE SPECIFIC OPERATING ARRANGEMENTS HERE]	

SPECIMEN

SECTION 9 - DISTRIBUTED GENERATION CONNECTED TO USER'S DISTRIBUTION NETWORKS

Here lists those premises for which the Company will pay Distributed Generation Payment.

NB The Company to check this list

NBB Payment under section 9 is subject to exclusions in section 10 of this schedule.

SPECIMEN

GENERATION CONNECTED TO SPECIFIC USER DISTRIBUTION NETWORKS

NAME OF USER DISTRIBUTION NETWORK			[ENTER NAME OF USER DISTRIBUTION NETWORK HERE]		
<u>User's Reference for the specific Generation Plant</u>	<u>Generation Type</u>	<u>Nature of Connection</u>	<u>Generation Capacity</u> (kW)	<u>Generation Symmetrical Fault Level Contribution</u> (kA)	<u>Notification Date</u> The later of the date of <ul style="list-style-type: none"> ▪ Generation Connection, or ▪ Notification to the Company (dd/mm/yyyy)

SECTION 10 - EXCLUSION AND LIMITATIONS OF LIABILITY FOR DISTRIBUTED GENERATION UNAVAILABILITY PAYMENT

An additional part to this Schedule will be required for each additional User Distribution Network to be supplied in order to define those aspects that supersede the 'General Exclusion and Limitations of Company Liability for Distributed Generation Unavailability (DGNU) Payments for all User Distribution Networks' set out below or to explicitly confirm no site specific conditions exist.

GENERAL EXCLUSION AND LIMITATIONS OF COMPANY LIABILITY FOR DISTRIBUTED GENERATION UNAVAILABILITY (DGNU) PAYMENTS BY THE COMPANY FOR ALL USER DISTRIBUTION NETWORKS

Notwithstanding the provisions of Section 9 of this schedule the Company shall not make any DGNU Payment in any of the following circumstances:

- for Distributed Generation connected at Low Voltage within User's Distribution Network.
- for any Distributed Generation connected at any voltage within the User's Distribution Network affected by any planned or unplanned outages affecting the User's Distribution Network.

SPECIMEN

**USER DISTRIBUTION NETWORK SPECIFIC
EXCLUSION AND LIMITATIONS OF COMPANY LIABILITY
FOR DISTRIBUTED GENERATION UNAVAILABILITY (DGNU) PAYMENTS**

**NAME OF USER
DISTRIBUTION NETWORK**

**[ENTER NAME OF USER DISTRIBUTION
NETWORK HERE]**

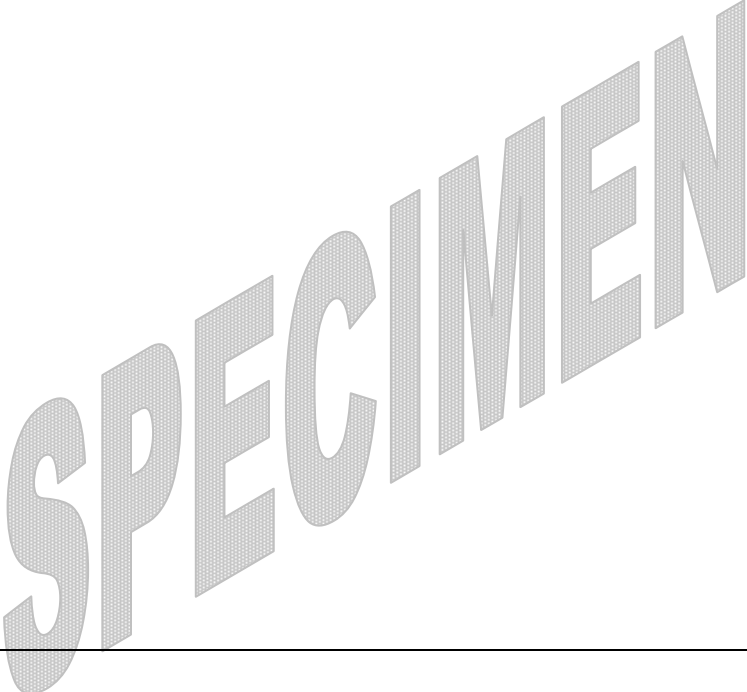
There are NO site specific exclusions or limitations that supersede the 'General Exclusion and Limitations of Company Liability for Distributed Generation Unavailability (DGNU) Payments for all User Distribution Networks'.

**[IF ALTERNATIVE EXCLUSIONS AND LIMITATIONS ARE DEFINED, THEY
MUST BE ENTERED HERE AND THE ABOVE TEXT REMOVED]**

SPECIMEN

SECTION 11 - PROPERTY DOCUMENTS

An additional part to this Schedule will be required for each additional User Distribution Network to be supplied.

USER DISTRIBUTION NETWORK SPECIFIC PROPERTY DOCUMENTS	
NAME OF USER DISTRIBUTION NETWORK	[ENTER NAME OF USER DISTRIBUTION NETWORK HERE]
	

THE SECOND SCHEDULE - SPECIMEN FORM OF APPLICATION FOR MODIFICATION

APPLICATION FOR A MODIFIED CONNECTION

Name of Applicant: _____

Address of Applicant: _____

Telephone Number: _____ CODE: _____ FAX: _____

Details of modification and reasons for same required _____

Please attach Location Plan identifying any proposed intake position.

Proposed Date of Connection: _____

Preferred Supply Voltage: EHV _____ HV _____ LV _____

Type of Supply: Single phase/Three phase

Maximum Import Capacity required (kW/KVA/kVAr): _____

Maximum Import:		Winter		Summer		
		Weekday	Weekend	Weekday	Weekend	
present/ initial	day	_____	_____	_____	_____	kW/KVA/kVAr
	night	_____	_____	_____	_____	kW/KVA/kVAr
future	day	_____	_____	_____	_____	kW/KVA/kVAr
	night	_____	_____	_____	_____	kW/KVA/kVAr

FORM OF APPLICATION FOR A MODIFIED CONNECTION continued

Maximum Export Capacity required (kW/KVA/kVAr): _____

Maximum Export:		Winter		Summer		
		Weekday	Weekend	Weekday	Weekend	
present/ initial	day	_____	_____	_____	_____	kW/KVA/kVAr
	night	_____	_____	_____	_____	kW/KVA/kVAr
future	day	_____	_____	_____	_____	kW/KVA/kVAr
	night	_____	_____	_____	_____	kW/KVA/kVAr

Estimated Annual Consumption: _____

Estimated Power Factor: (a) Average _____
 (b) At Maximum Demand _____

(A) Details of any Abnormal Loads:
 (e.g. large motors, welding equipment, harmonic content)

(B) Maximum Instantaneous Current:
 (e.g. starting current of largest motor) _____

(C) Frequency of Starting: _____
 (single, switched firm, automatic firm)

Will User's Installation include On Site Generation? Yes/No

If Yes: (a) Please provide details on separate form/sheet.

(b) Will the generator(s) be run in parallel with the distribution system? Yes/No

Any other information considered by the Applicant to be relevant:

Signed: _____

On Behalf of: _____

Date: _____

THE THIRD SCHEDULE -

ADDRESSES FOR SERVICE OF NOTICES

The Company's address, facsimile number for the serving of notices are its registered office from time to time and:

EDF Energy Networks (EPN) plc.
Energy House
Hazelwick Avenue
Three Bridges
Crawley
RH10 1EX

Marked for the attention of the 'Agreements Manager'

Facsimile No. 01293 577731
Telephone No. 01293 657939

The User's address, facsimile number for the serving of notices is:

[ENTER NAME OF USER'S NOTICES' FULL UK POSTAL ADDRESS HERE]

Marked for the attention of **[ENTER NAME OF F.A.O PERSON/DEPARTMENT HERE]**

Facsimile No. **[ENTER FAX NO. HERE]**

Telephone No. **[ENTER TELEPHONE NUMBER HERE]**

SPECIMEN

THE FOURTH SCHEDULE - USE OF SYSTEM METERING AND DATA CHARGES

Statement of the basis of charges for the Use of System

1. The Use of System charges and any variations are and will be calculated in accordance with the Condition 4A Statement and the Condition 36 Statement. Current copies of these Statements can be obtained by written request to the Company contacts detailed in Schedule 3 to this Agreement:
2. Where the characteristics of a connection are such that site specific charges use of system charges are appropriate these charges for each relevant site will be set out below. **An additional part shall be added below for each additional User Distribution Network required to be supplied under site specific charging arrangements.**

SPECIMEN

**USER DISTRIBUTION NETWORK SPECIFIC
USE OF SYSTEM CHARGES**

**NAME OF USER
DISTRIBUTION NETWORK**

**[ENTER NAME OF USER DISTRIBUTION
NETWORK HERE]**

The Use of System charges and any variations are and will be calculated in accordance with the Condition 4A Statement and the Condition 36 Statement.

**[IF SITE SPECIFIC DUoS CHARGES EXIST, THEN THE ABOVE TEXT MUST BE
REMOVED AND REPLACED WITH A STATEMENT OF THE SITE SPECIFIC
CHARGES ADDED HERE]**

SPECIMEN

THE FIFTH SCHEDULE - COVER

1.1 The User shall not later than the date of this Agreement provide and maintain Cover in accordance with the provisions of this Schedule.

1. FORMS OF COLLATERAL

1.2 The User shall not later than the date of this Agreement deliver to the Company one or more of the following forms of Collateral such that the aggregate value of such Collateral is equal to or greater than the sum notified to the User by the Company as the User's Value at Risk to the extent that it exceeds the User's Credit Allowance:

- (a) a Letter of Credit or equivalent bank guarantee (available for an initial period of not less than six months);
- (b) an Escrow Account Deposit;
- (c) a Cash Deposit; or
- (d) any other form of Collateral as agreed between the parties from time to time, including but not limited to performance bonds, bilateral insurance, and independent security. The Company may rate the effectiveness of such Collateral as being between 0% and 100%. Where the effectiveness of such Collateral is rated as less than 100%, its contribution to the aggregate level of Cover provided shall be reduced accordingly.

1.3 Any dispute raised by the User or the Company on the form of Collateral provided under paragraph 1.2(d) or on the rating of any such Collateral shall be dealt with under Part 8 of this Schedule. Any requirement for payment to be made under such Collateral shall be dealt with in accordance with Part 4 of this Schedule.

Maintenance of Cover

1.4 The User may increase the value of Collateral provided or provide additional forms of Collateral at any time during the term of this Agreement.

1.5 Where:

- (a) there is any reduction in the amount of Collateral provided by the User as Cover; or
- (b) the Company makes a demand against such Collateral following a Payment Default by the User,

the User shall provide additional Collateral to ensure that the Indebtedness Ratio is equal to or lower than the Indebtedness Ratio Limit according to the provisions of this Schedule.

2. CALCULATION OF COVER

2.1 For the duration of this Agreement, the Company shall calculate and maintain a record of each of the following values with respect to the User, that is to say:

- (a) the User's Value at Risk;
- (b) the User's Credit Allowance; and
- (c) the User's Indebtedness Ratio,

in such manner as will enable the Company, upon request by the User, to provide a written and up-to-date statement of such values without delay.

The User's Value at Risk

2.1 At any time, subject to paragraph 2.3, the User's Value at Risk shall be the aggregate of:

- (a) billed but unpaid Use of System Charges which are not currently subject to a Designated Dispute (as defined in Schedule 4) and which have been billed to the User according to an established billing cycle operated by the Company pursuant to this Agreement;

plus

- (b) the Fifteen Days' Value, which shall be the estimated value of the Use of System Charges that would be incurred by the User for a further 15 days from that time, based on the average daily Use of System Charges billed to the User during the previous month according to an established billing cycle operated by the Company pursuant to this Agreement;

less

- (c) any credit notes and any amounts paid to the Company by the User in the form of a Prepayment or an Advance Payment.

2.3 Where the User has not incurred Use of System Charges, the Value at Risk shall be set at £1,000 until such time as the Value at Risk can be calculated in accordance with the provisions of paragraph 2.2.

The User's Credit Allowance

2.4 The User's Credit Allowance (**CA** here below) shall be calculated according to the following formula:

$$\mathbf{CA = RAV \times 2\% \times CAF}$$

where:

RAV is the closing balance for the Regulatory Asset Value (having the meaning given to that term in the price control review reporting rules issued by the Authority pursuant to Condition 52 of the Electricity Distribution Licence) as published in the Company's latest audited regulatory accounts (or, where no Regulatory Asset Value is published, shall be a value to be determined by the Authority as a suitable replacement following consultation with the Company); and

CAF is the Credit Allowance Factor (which is to be expressed as a percentage determined under paragraph 2.5 or 2.6 or in accordance with paragraph 2.11).

- 2.5 Where the User has a Credit Rating from an Approved Credit Referencing Agency that is Ba3/BB– or above, CAF shall be determined according to the following table:

Credit Rating		CAF (%)
Moody's	Standard and Poor's	
Aaa to Aa2	AAA to AA	100
Aa3 to A3	AA– to A–	40
Baa1	BBB+	20
Baa2	BBB	19
Baa3	BBB–	18
Ba1	BB+	17
Ba2	BB	16
Ba3	BB–	15

- 2.6 Where the User does not have a Credit Rating from an Approved Credit Referencing Agency that is Ba3 / BB– or above, CAF shall be determined as follows:
- where the User has requested that the Company use an Independent Credit Assessment, CAF shall be determined by reference to the Credit Assessment Score provided to the User pursuant to paragraph 2.8 and in accordance with the table set out at paragraph 2.9; or
 - where the User has not requested that the Company use an Independent Credit Assessment, CAF shall equal the Payment Record Factor (which shall be determined in accordance with the provisions of paragraphs 2.12 to 2.14).

Credit Assessment Score

- 2.7 For the purposes of determining CAF pursuant to paragraph 2.6(a), the User may, once a year, request that the Company obtain an Independent Credit Assessment from a Recognised Credit Assessment Agency chosen by the User.
- 2.8 Within one month of such request, the Company must procure from that Recognised Credit Assessment Agency (and must provide to the User) an Independent Credit Assessment which shall include a Credit Assessment Score determined on a scale from zero to 10 in respect of the User.

- 2.9 The value of CAF corresponding in the following table to the Credit Assessment Score so determined shall be the Credit Allowance Factor which, pursuant to paragraph 2.6(a), is to be used for the purposes of calculating the User's Credit Allowance pursuant to paragraph 2.4.

Credit Assessment Score	CAF (%)
10	20
9	19
8	18
7	17
6	16.66
5	15
4	13.33
3	10
2	7
1	3.33
0	0

Additional Credit Assessment

- 2.10 During the 12-month period following completion of an annual Independent Credit Assessment pursuant to paragraph 2.7, the User may at its own cost procure from a Recognised Credit Assessment Agency, and submit to the Company, an interim Independent Credit Assessment for the purpose of requiring the Company to recalculate the User's Credit Allowance.

Payment Record Factor

- 2.11 The Company shall at any time be entitled to use (and, on request by the User, must use) the Payment Record Factor to determine the Credit Allowance Factor. For this purpose, and for that of paragraph 2.6(b), the Credit Allowance Factor shall equal the value of the Payment Record Factor determined in accordance with paragraphs 2.12 to 2.14.
- 2.12 The Payment Record Factor shall equal the number of months since the Good Payment Performance Start Date (as specified in paragraph 2.13) multiplied by 0.033% (that is to say, by 0.4% per annum) up to a maximum value of 2% after five years of good payment history. The Company shall give the User notice of any adverse change in the calculation of the Payment Record Factor pursuant to paragraph 2.13.
- 2.13 For all Users, the Good Payment Performance Start Date shall initially be the date of the earliest of the first Initial Account, Reconciliation Account, or account issued pursuant to Clause 8 (as the case may be) (**the relevant account**). Where the User fails, or has failed, on any occasion to pay any relevant account

relating to undisputed Use of System Charges in full on the Payment Date, the Good Payment Performance Start Date shall, where the Company so determines, be the date on which the relevant account is submitted in the month subsequent to the month in which such payment failure occurs.

- 2.14 Where any unpaid disputed invoice is found to have been disputed without merit, a failure to have paid the relevant account in accordance with the terms of this Agreement shall be treated as a failed payment and the provisions of paragraph 2.13 shall apply accordingly.

The User's Indebtedness Ratio

- 2.15 The Credit Limit for the User shall equal the Credit Allowance plus the aggregate value of the Collateral provided on any day.
- 2.16 The Indebtedness Ratio for the User shall equal the Value at Risk as a percentage of the Credit Limit.
- 2.17 If, on any day, the User's Indebtedness Ratio equals or is greater than 85% of the User's Indebtedness Ratio Limit, the Company shall give notice of this to the User.

Credit Allowance Where Credit Support is Provided by a Third Party

- 2.18 Where credit support is provided for the User through a Qualifying Guarantee by a third party (**the Credit Support Provider**), the maximum Credit Allowance assigned to the User shall be calculated in accordance with paragraph 2.4 above, but substituting the Credit Support Provider for the User in all such calculations. Where the value of the Qualifying Guarantee is lower than the Credit Allowance calculated pursuant to paragraph 2.4, the User's actual Credit Allowance shall be the maximum value of the Qualifying Guarantee.
- 2.19 Where a Credit Support Provider provides a Qualifying Guarantee for another user of the Distribution System, the aggregate of all Qualifying Guarantees so offered shall not exceed the maximum Credit Allowance that could be determined for that Credit Support Provider pursuant to paragraph 2.4.
- 2.20 Where the User disputes the Company's calculation of Value at Risk or the Credit Allowance, the provisions of Part 8 of this Schedule shall apply.

3. INCREASE OR DECREASE OF COVER REQUIREMENT

- 3.1 The following provisions have effect in relation to cover requirements pursuant to the circumstances specified under the relevant headings in this Part 3.

Increase in Cover Requirements Pursuant to a Change in the Value at Risk

- 3.2 If, on any Working Day, the User's Indebtedness Ratio equals or is greater than its Indebtedness Ratio Limit because of an increase in the User's Value at Risk, the Company shall give notice of this to the User on the following Working Day and the User shall take all appropriate action to ensure that its Indebtedness Ratio is equal to or below 80% within two Working Days of its receipt of such notice.
- 3.3 It shall be a Cover Default if the User fails to remedy a default under paragraph 3.2 within the prescribed timescale.

- 3.4 Following a Cover Default under paragraph 3.3, the User's Indebtedness Ratio Limit shall be decreased to 80% for one year following rectification of the default, after which time it shall be increased back to 100%.

Actions in Relation to Cover Default

- 3.5 In addition to any other remedies available to it, the Company shall be entitled to take the following actions following a Cover Default (provided that, where the provision of MPAS to the User has been suspended at any time after Day 0 + 5, the Company must, as soon as the Cover Default has been remedied, immediately take such steps as are within its power to initiate the restoration of MPAS to the User):

Working Days After Cover Default	Action Within the Company's Rights Under this Schedule
Day 0	Date of default
Day 0 + 1	Interest and administration fee start to apply.
Day 0 + 1	Issue notice of default to Contract Manager containing a statement of the Indebtedness Ratio and send a copy of such notice to the Authority.
Day 0 + 3	Formal User response required.
Day 0 + 5	Initiate action to suspend provision of MPAS to User in accordance with the provisions of the Master Registration Agreement, and notify the Authority.

Increase or Decrease in Cover Requirements Pursuant to a Change in the RAV

- 3.6 The Company shall give the User one month's written notice of its intention to use a new value of RAV to calculate the Credit Allowance according to paragraph 2.4. Such notice shall state the new value of RAV and the date on which the Company will begin to use that value in such calculation.

Decrease in Cover Requirements

- 3.7 The User may by notice to the Company decrease the amount of Collateral at any time provided that such decrease would not cause the Indebtedness Ratio to exceed the Indebtedness Ratio Limit.
- 3.8 The Company shall, within two Working Days of its receipt of a notice from the User pursuant to paragraph 3.8, undertake actions to facilitate the reduction, or the return to the User, of such Collateral.

Increase in Cover Requirements Because of the Expiry of a Letter of Credit

- 3.9 Not later than 10 Working Days before any outstanding Letter of Credit is due to expire, the User shall either procure to the satisfaction of the Company that it (or a suitable replacement Letter of Credit which meets the Company's reasonable requirements) will be available for a further period of not less than six months, or provide an alternative form of Collateral as set out in paragraph 1.2.

Release from Cover Obligations

- 3.10 Upon the termination of this Agreement, and provided that all amounts owed by the User in respect of Use of System Charges and any other amount owed by the User to the Company under this Agreement have been duly and finally paid, including interest, the User shall be released from the obligation to maintain Cover and the Company shall consent to the revocation of any outstanding Qualifying Guarantee or Letter of Credit and the User shall be entitled to withdraw the balance (if any) (including interest credited thereto) standing to the credit of the User in the Escrow Account at that date and to request the return or termination of any other form of Collateral provided.

4. USE OF COVER FOLLOWING PAYMENT DEFAULT

- 4.1 This paragraph applies if, after 17:30 hours on any Payment Date, the Company has been notified by the User or otherwise has reason to believe that the User has not remitted to it by close of banking business on the Payment Date all or any part (**the amount in default**) of any amount which has been notified by the Company to the User as being payable by the User by way of the Use of System Charges on the relevant Payment Date, or any other amounts owing under this Agreement.
- 4.2 Where paragraph 4.1 applies, a Payment Default exists and the Company shall (in addition to any other remedies available to it) be entitled to act in accordance with the following provisions (or whichever of them may apply) in the order in which they appear below until the Company is satisfied that the User has discharged its obligations in respect of Use of System Charges or such other amounts under this Agreement which are payable in respect of the relevant account:
- (a) the Company, to the extent that the User is entitled to receive payment from the Company pursuant to this Agreement (unless it reasonably believes that such set-off would be unlawful), shall be entitled to set off the amount of such entitlement against the amount in default;
 - (b) the amount of funds then standing to the credit of the Escrow Account or the amount of any Cash Deposit (excluding any interest accrued thereon to the benefit of the User) shall be released to the Company and set off against the amounts unpaid by the User, and for that purpose the Company shall be entitled to place such funds in any account of the Company at its sole discretion and shall notify the User accordingly;
 - (c) the Company may demand payment under any Letter of Credit for a sum not exceeding the amount of the Cover;
 - (d) the Company may demand payment under any outstanding Qualifying Guarantee provided for the benefit of the User pursuant to paragraph 2.18; or
 - (e) the Company may demand payment under any other form of Collateral provided under paragraph 1.2(d) in the manner which the parties have previously agreed as appropriate in relation to that particular form of Collateral or, in the absence of such agreement, in a manner which the Company (acting reasonably) considers appropriate in relation thereto.

5. UTILISATION OF FUNDS

5.1 In addition to the provisions of Part 4 above, if the Company serves a notice of termination in accordance with Clause 18, it shall be entitled:

- (a) to demand payment of any of the Use of System Charges and any other amounts owed by the User under the Agreement which are outstanding, whether or not the Payment Date in respect of them has passed; and
- (b) to make demand under any outstanding Qualifying Guarantee or a call under any outstanding Letter of Credit supplied by the User,

and the funds in the Escrow Account to the extent that they represent Cover provided by the User shall be released to the Company and set off against the Use of System Charges and any other amount owed by the User under the Agreement that is unpaid by the User, and for that purpose the Company shall be entitled to place any such amount released to it from the Escrow Account to any account of the Company as in its sole discretion it thinks fit.

6. USER'S RIGHT TO WITHDRAW FUNDS

6.1 If the User is not in default in respect of any amount owed to the Company in respect of the Use of System Charges or any other amount owed by the User under the Agreement, the Company shall permit the release to the User, within two Working Days of receiving the User's written request for it, of any amount of cash provided by the User by way of Cover which exceeds the amount which the User is required to provide in accordance with this Schedule.

6.2 Interest on the amount deposited in an Escrow Account (at a rate to be agreed by the User with the bank at which such account is held) or on the amount of a Cash Deposit (at a rate to be agreed between the parties) shall accrue for the benefit of the User.

7. NO SECURITY

7.1 Nothing in this Schedule shall be effective to create a charge on or any other form of security interest in any asset comprising part of the User's business.

8. DISPUTES

8.1 The parties shall attempt to resolve in good faith any dispute that may arise under or in relation to the provisions of this Schedule.

8.2 Where any such dispute remains unresolved after 14 days, either party may refer the matter to the Authority for determination as if it were a dispute falling within Condition 4E of the Electricity Distribution Licence.

8.3 A determination by the Authority under this Part 8 shall be final and binding.

9. NOTICES

9.1 Contact details for notices issued under this Schedule, and the form of such notices and the manner of their service, shall be as agreed between the parties. Where no such agreement exists, the provisions of Clause 25 shall apply.

10. DEFINITIONS

10.1 In this Schedule, and without prejudice to the provisions of paragraph 10.2, the following words or expressions shall have the meanings set opposite them:

Advance Payment	means a deposit of funds by or on behalf of the User as early payment relating to any invoice issued but not yet due into a bank account specified by the Company, in the name of the Company.
Approved Credit Referencing Agency	means Moody's Investors Service or Standard and Poor's Ratings Group or such replacement agency as may be notified by the Authority from time to time for the purposes of this Schedule.
Cash Deposit	means a deposit of funds by or on behalf of the User into a bank account in the name of the Company.
Collateral	means the implements (excluding parent company guarantees) through which the User can provide Cover, as set out in paragraph 1.2 and as may be amended or added to from time to time by the Company with the Authority's approval.
Cover	means the aggregate amount of Collateral which the User is required to provide and maintain in accordance with the provisions of this Schedule.
Cover Default	has the meaning given in paragraph 3.3.
Credit Allowance (CA)	has the meaning given in paragraph 2.4.
Credit Allowance Factor (CAF)	has the meaning given in paragraph 2.4.
Credit Assessment Score	has the meaning given in paragraph 2.8.
Credit Limit	has the meaning given in paragraph 2.15.
Credit Rating	means a long-term debt rating from an Approved Credit Referencing Agency.
Credit Support Provider	has the meaning given in paragraph 2.18.

Escrow Account

means a separately designated bank account in the name of the User at such branch of HSBC Bank plc or such branch of any other bank in the United Kingdom as the Company shall specify (**the Bank**) (on terms to be approved by the Company and which provide, amongst other things, that the funds held in the Escrow Account may be released by the Bank to the Company in the circumstances envisaged in Parts 3 and 4 of this Schedule with the right to direct payments from the Escrow Account in favour only of the Company until the events specified in paragraph 3.10 have occurred) to which all deposits required to be made by the User pursuant to this Schedule shall be placed, provided that such proceeds are not to be withdrawn by the User save in accordance with the provisions of this Schedule.

Escrow Account Deposit

means a deposit of funds by or on behalf of the User into an Escrow Account.

Fifteen Days' Value

has the meaning given in paragraph 2.2(b).

Good Payment Performance Start Date

has the meaning given in paragraph 2.13

Indebtedness Ratio

has the meaning given in paragraph 2.16 or unless otherwise provided for by this schedule 5.

Indebtedness Ratio Limit

shall be 100% unless otherwise notified by the Company under the provisions of this Agreement.

Independent Credit Assessment

means a credit assessment of the User procured by the Company at the User's request in accordance with paragraph 2.8 from a Recognised Credit Assessment Agency chosen by the User.

Letter of Credit

means an unconditional irrevocable standby letter of credit in such form as the Company may reasonably approve issued for the account of the User in sterling in favour of the Company, allowing for partial drawings and providing for the payment to the Company 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 Ratings Group or by Moody's Investors Service, or such other bank as the Company may approve and which shall be available for payment at a branch of the issuing bank.

Payment Date

means the due date for payment of any Initial Account, Reconciliation Account, or other account submitted to the User pursuant to this Agreement.

Payment Default	has the meaning given in paragraph 4.2.
Payment Record Factor	has the meaning given in paragraph 2.12.
Prepayment	means a deposit of funds by or on behalf of the User as early payment relating to future invoices not yet issued into a bank account specified by the Company, in the name of the Company.
Qualifying Guarantee	means a guarantee in favour of the Company which is legally enforceable in the United Kingdom and in such form as may be agreed between the Company and the User and which may specify a maximum value.
Recognised Credit Assessment Agency	means any credit assessment agency recognised by the Authority for the purpose of providing credit assessments pursuant to this Schedule.
Regulatory Asset Value (RAV)	has the meaning given in paragraph 2.4.
Value at Risk	has the meaning given in paragraph 2.2.

- 10.2 Any other words or expressions used in this Schedule (excluding headings or any parts thereof) which bear initial capital letters and are defined in Clause 1.1 shall have the same respective meanings as are given to them in that clause.

SPECIMEN

THE SIXTH SCHEDULE -**METERING ACCURACY AND DATA****Part 1 – Metering Accuracy**

- Metering Equipment shall be capable of operating within the accuracy limits specified pursuant to the Balancing and Settlement Code and the BSC Code of Practice relevant to the User's Capacity and where no accuracy limits are specified in relation to an element of any Metering Equipment under the Balancing and Settlement Code or the relevant BSC Code of Practice, the accuracy of that element shall be no less than that specified in Tables 1-4 (inclusive) of Code of Practice Four approved pursuant to the Balancing and Settlement Code ("the agreed accuracy limits").

BSC CoPs	Title
1	The Metering of Circuits with a Rated Capacity Exceeding 100MVA for Settlement Purposes
2	The Metering of Circuits with a Rated Capacity not exceeding 100 MVA for Settlement Purposes
3	The Metering of Circuits with a Rated Capacity not exceeding 10 MVA for Settlement Purposes
4	The Calibration, Testing and Commissioning Requirements of Metering Equipment for Settlement Purposes
5	The Metering of Energy Transfers with Max Demand of up to (& including) 1MW for Settlement Purposes
6	The Metering of Energy Imports via Low Voltage Circuits Fused at 100 AMPS or Less per Phase for Settlement Purposes
7	The Metering of Energy Imports via Low Voltage Circuits Fused at 100 AMPS or Less per Phase for Settlement Purposes
8	The Code of Practice for the Metering of Import Active Energy via Low Voltage Circuits for Non-Half Hourly Settlement Purposes
9	Code of Practice for the Metering of Import and Export Active Energy via Low Voltage Circuits for Non-Half Hourly Settlement Purposes

Schedule of Balancing and Settlement Code, Codes of Practice.

Part 2 – Disputes in relation to Metering Accuracy

- 1.1 Unless the accuracy of Metering Equipment is disputed by notice in writing ("dispute notice") given by one party to the other, such Metering Equipment shall be deemed to be accurate. If a dispute notice is given:
 - 1.1.1 unless otherwise agreed, the Metering Equipment shall as soon as practicable be examined and tested by a meter examiner in accordance with schedule 7 to the Act as if that schedule applied to the Metering Equipment;
 - 1.1.2 if on such test:
 - 1.1.2.1 it shall be found that the inaccuracy of the registration of the Metering Equipment at normal loads exceeds the agreed accuracy limits, suitable adjustment shall be made in the accounts rendered by the Company and the Metering Equipment or part thereof found to be inaccurate shall be recalibrated or replaced and the cost of such test and recalibration or replacement shall be paid by the User;
 - 1.1.2.2 the Metering Equipment is found to be accurate within the said limits, the Metering Equipment shall be deemed to be accurate and the cost of moving, testing and replacing the Metering Equipment or any part thereof shall be paid by the party who gave the relevant dispute notice.

Part 3 – Data

The Frequency of provision of Metering Data shall be calendar monthly.

Metering Data in respect of a calendar month shall be provided by the User to the Company within 5 days of the end of that calendar month.

Metering Data shall identify the amount consumed in each half hour of each day in the month and shall separately identify active and reactive import and export.

Metering Data provided by the User to the Company will be consistent with that received through the metering equipment.

Data shall be provided by the User to the Company in an electronic format specified by the Company from time to time. In the absence of such specification data shall be provided in a comma separated text file in the format of D0275 MRA data flow. The data shall be eMailed to EDF.DuosServices@edfenergy.com.

THE SEVENTH SCHEDULE - METERING DATA REFERENCES AND INSTALLATION OF METERING EQUIPMENT

1. Connection Point Metering Data References

Metering data associated with the boundary metering between the Company's Distribution System and the User's Distribution System shall be provided to the Company containing references in the format defined below as shall be provided by the Company in this schedule.

The format of reference for the metering data reference shall be of the same form as for settlement metering point administration numbers, this being;

dd99nnnnnnnc

Where

- dd is first two digits signifying distribution licensee
For EDF Energy Networks (EPN) plc, dd = 10
For EDF Energy Networks (LPN) plc, dd = 12
For EDF Energy Networks (SPN) plc, dd = 19
- 99 default numbers forming part of the unique reference ensuring User Connection Point references reside within a unique number range.
- nnnnnnn constitutes the metering measure specific component of the unique reference for the relevant metering upon a given Connection Point.
- c is the check digit, being the;

LOWEST ORDER DIGIT of result of

MODULO 11 of

The SUM of

dd99nnnnnnnn digit 1	x	3
dd99nnnnnnnn digit 2	x	5
dd99nnnnnnnn digit 3	x	7
dd99nnnnnnnn digit 4	x	13
dd99nnnnnnnn digit 5	x	17
dd99nnnnnnnn digit 6	x	19
dd99nnnnnnnn digit 7	x	23
dd99nnnnnnnn digit 8	x	29
dd99nnnnnnnn digit 9	x	31
dd99nnnnnnnn digit 10	x	37
dd99nnnnnnnn digit 11	x	41
dd99nnnnnnnn digit 12	x	43

An additional part to this Schedule detailing the agreed references for metering data sets will be required for each additional User Distribution Network to be supplied.

NAME OF USER DISTRIBUTION NETWORK	[NAME OF USER DISTRIBUTION NETWORK]	
SUBSIDIARY CONNECTION POINTS	CONNECTION POINT IMPORT DATA REFERENCE	CONNECTION POINT EXPORT DATA REFERENCE
[NAME OF CONNECTION POINT, REPLICATE ROW FOR MULTIPLE CONNECTION POINTS]	[ENTER CONNECTION POINT IMPORT REFERENCE HERE]	[ENTER CONNECTION POINT EXPORT REFERENCE HERE]

SPECIMEN