

CUSC - SECTION 11

INTERPRETATION AND DEFINITIONS

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[Note: Definitions from Charging Methodologies have been incorporated, but not yet fully harmonised with CUSC or updated]

SECTION 11

INTERPRETATION AND DEFINITIONS

11.1 INTRODUCTION

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

11.2 INTERPRETATION AND CONSTRUCTION:

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

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

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

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

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

11.2.4 If such **Consent** is required from any **CUSC Party** then such **CUSC Party** shall grant such **Consent** unless it is unable to do so or it would be unlawful for it to do so provided that such grant by such **CUSC Party** may be made subject to such reasonable conditions as such **CUSC Party** shall reasonably determine.

11.2.5 For the avoidance of doubt if the **CUSC Party** who is under a duty to obtain such **Consent** fails to obtain such **Consent** having complied with this Paragraph 11.2 the obligation on that **CUSC Party** (in relation to which such **Consent** is required) shall cease.

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

- (a) unless the context otherwise requires all references to a particular Paragraph, Part, Section, Schedule or Exhibit shall be a reference to that Paragraph, Part, Section, Schedule or Exhibit in or to the **CUSC** and all references to a particular Appendix shall be a reference to that Appendix to a **Bilateral Agreement** or **Mandatory Services Agreement** or **Construction Agreement** (as the case may be);
- (b) a table of contents and headings are inserted for convenience only and shall be ignored in construing the **CUSC** or a **Bilateral Agreement**, **Construction Agreement** or **Mandatory Services Agreement** as the case may be;
- (c) references to the words "include" or "including" are to be construed without limitation to the generality of the preceding words;
- (d) unless the context otherwise requires any reference to an Act of Parliament or any part or section or other provision of or schedule to an Act of Parliament shall be construed, at the particular time, as including a reference to any modification, extension or re-enactment thereof then in force and to all instruments, orders or regulations then in force and made under or deriving validity from the relevant Act of Parliament; and
- (e) references to the masculine shall include the feminine and references in the singular shall include the plural and vice versa and words denoting persons shall include any individual, partnership, firm, company, corporation, joint venture, trust, association, organisation or other entity, in each case whether or not having separate legal personality.

11.3 DEFINITIONS

The following terms shall have the following meanings:

"10 Clear Days"	defined as 10 complete periods of 24 hours from 00:00hrs to 24:00hrs;
"ABSVD Methodology Statement"	the document entitled "Applicable Balancing Services Volume Data Methodology Statement", as published by The Company as the same may be amended from time to time;
"Accession Agreement"	an agreement in or substantially in the form of Exhibit A to the CUSC whereby an applicant accedes to the CUSC Framework Agreement ;
"Acceptance Volume"	as defined in the Balancing and Settlement Code ;
"Act"	the Electricity Act 1989;
"Active Power"	the product of voltage and the in-phase component of alternating current measured in

units of watts and standard multiples thereof i.e.

1000 watts = 1kW
1000 kW = 1MW
1000 MW = 1GW
1000 GW = 1TW;

"Actual Amount"

as defined in Paragraph 3.13;

"Additional Load"

Site Load other than **Station Load** and importing **Generating Units** for processes other than the production of electricity

"Additional Scheduling Data"

as defined in the **Grid Code** on the day prior to the **NETA Go-live Date**;

"Adjusted LDTEC Profile"

the **LDTEC Profile** as adjusted by the MW cap specified by the **User** in its acceptance of the **LDTEC Block Offer** in accordance with **CUSC** Paragraph 6.32.6.4.

"Affected User"	<p>a User:</p> <p>a) with Transmission Entry Capacity for the Connection Site against which the affected BM Unit is registered and who is paying or in receipt of generator Transmission Network Use of System Charges by reference to such Transmission Entry Capacity; or</p> <p>b) an Interconnector Owner;</p>
"Affiliate"	<p>in relation to The Company (and in relation to Paragraphs 6.14 and 8A.4.2.2, any User) means any holding company or subsidiary of The Company (or the User as the case may be) or any subsidiary of a holding company of The Company (or the User as the case may be), in each case within the meaning of sections 736, 736A and 736B of the Companies Act 1985 as substituted by section 144 of the Companies Act 1989;</p>
"Agency Business"	<p>any business of The Company or any Affiliate or Related Undertaking in the purchase or other acquisition or sale or other disposal of electricity as agent for any other Authorised Electricity Operator;</p>
"Agreed Ancillary Services"	<p>Part 2 System Ancillary Services and Commercial Ancillary Services;</p>
"Agreed Value"	<p>the value attributed by The Company to the form of security provided that if The Company and the User cannot agree on such value then the value will be determined by an expert appointed by The Company and the User or, failing their agreement as to the expert, the expert nominated by the Director General of The Institute of Credit Management;</p>
"Alternate Election Process"	<p>As defined in Paragraph 8A.4.4.2</p>
"Alternate Members"	<p>persons appointed as such pursuant to Paragraph 8.67.2;</p>
"Alternate Member Interim Vacancies"	<p>as defined in Paragraph 8A.4.3.3</p>
"Allowed Interruption"	<p>shall mean an Interruption as a result of any of the following:</p> <p>a) an Event other than an Event on the National Electricity Transmission</p>

System;

- b) an event of **Force Majeure** pursuant to Paragraph 6.19 of the **CUSC**;
- c) a **Total Shutdown** or **Partial Shutdown**;
- d) action taken under the **Fuel Security Code**;
- e) **Disconnection** or **Deenergisation** by or at the request of **The Company** under Section 5 of the **CUSC**, except in the case of an **Emergency Deenergisation Instruction**;
- f) the result of a direction of the Authority or **Secretary of State**;
- g) tripping of the **User's Circuit Breaker(s)** following receipt of a signal from a **System to Generator Operational Intertripping Scheme** which has been armed in accordance with Paragraph 4.2A.2.1(b).

or if provided for in a **Bilateral Agreement** with the affected **User**;

"Ancillary Services"

System Ancillary Services and/or **Commercial Ancillary Services** as the case may be;

"Ancillary Services Agreement"

an agreement between **The Company** and a **User** or other person to govern the provision of and payment for one or more **Ancillary Services**, which term shall include without limitation a **Mandatory Services Agreement**;

"Annual Average Cold Spell (ACS) Conditions"

a particular combination of weather elements which gives rise to a level of peak **Demand** within an **The Company Financial Year** which has a 50% chance of being exceeded as a result of weather variation alone;

"Apparatus"

all equipment in which electrical conductors are used, supported or of which they may form a part;

"Applicant"	a person applying for connection and/or use of system under the CUSC ;
"Applicable CUSC Objectives"	as defined in the Transmission Licence ;
"Applicable Value"	The highest contractual Transmission Entry Capacity figure for year "t" provided to The Company up to and including 31 October in year "t-1" for publication in the October update of the Seven Year Statement ;
"Application for a STTEC"	an application made by a User in accordance with the Offer " Paragraph 6.31 for Short Term Capacity for a STTEC Period .
"Approved Agency"	the panel of three independent assessment agencies appointed by NGC and other network operators from time to time for the purpose of providing Independent Credit Assessments details of such agencies to be published on the NGC Website ;
"Approved Amendment CUSC Modification "	as defined in Paragraph 8.2024.7 and 8.21.2.3;
"Applicable Balancing Services Volume Data"	has the meaning given in the Balancing and Settlement Code
"Approved Credit Rating"	a long term debt rating of not less than BB- by Standard and Poor's Corporation or a rating not less than Ba3 by Moody's Investor Services, or a short term rating which correlates to those long term ratings, or an equivalent rating from any other reputable credit agency approved by The Company ; or such other lower rating as may be reasonably approved by The Company from time to time;
"Authorised Electricity Operator"	any person (other than The Company in its capacity as operator of the National Electricity Transmission System) who is authorised to generate, participate in the transmission of, distribute or supply electricity and for the purposes of Standard Condition C4 of the Transmission Licence shall include any person who has made application to be so authorised which application has not been refused and any person transferring electricity to or from Great Britain across an interconnector or who has made application for use of interconnector which has not been

	refused;
"Authorised Recipient"	in relation to any Protected Information , means any Business Person who, before the Protected Information had been divulged to him by The Company or any Subsidiary of The Company , had been informed of the nature and effect of Paragraph 6.15.1 and who requires access to such Protected Information for the proper performance of his duties as a Business Person in the course of Permitted Activities ;
"Authority"	the Director General of Electricity Supply appointed for the time being pursuant to section 1 of the Act or, after the coming into force of section 1 of the Utilities Act 2000, the Gas and Electricity Markets Authority established by that section;
"Available LDTEC"	is the level of MW for an LDTEC Week as notified by NGC to a User in (in the case of the first seven LDTEC Weeks) the LDTEC Indicative Block Offer and for subsequent LDTEC Weeks in an LDTEC Availability Notification .
"Back Stop Date"	in relation to an item of Derogated Plant , the date by which it is to attain its Required Standard , as specified in or pursuant to the relevant Derogation ;
"Balancing and Settlement Code" or "BSC"	as defined in the Transmission Licence ;
"Balancing Code" or "BC"	as defined in the Grid Code ;
"Balancing Mechanism"	as defined in the Transmission Licence ;
"Balancing Services"	as defined in the Transmission Licence ;
"Balancing Services Activity"	as defined in the Transmission Licence ;
"Balancing Services Agreement"	an agreement between The Company and a User or other person governing the provision of and payment for one or more Balancing Services ;
"Balancing Services Use of System Charges"	the element of Use of System Charges payable in respect of the Balancing Services Activity ;
"Balancing Services Use of System Reconciliation Statement"	as defined in Paragraph 3.15.1

"Bank Account"	a separately designated bank account in the name of The Company at such branch of Barclays Bank PLC, or such branch of any other bank, in the City of London as is notified by The Company to the User , bearing interest from (and including) the date of deposit of principal sums to (but excluding) the date of withdrawal of principal sums from such account, mandated for withdrawal of principal solely by The Company against delivery of a Notice of Drawing for the amount demanded therein and mandated for the transfer of any interest accrued to the Bank Account to such bank account as the User may specify;
"Base Rate"	in respect of any day, the rate per annum which is equal to the base lending rate from time to time of Barclays Bank PLC as at the close of business on the immediately preceding Business Day ;
"Base Value at Risk"	The sum of HH Base Value at Risk and the NHH Base Value at Risk
"BELLA Application"	an application for a BELLA in the form or substantially in the form set out in Exhibit Q;
"BELLA Offer"	an offer for a BELLA in the form or substantially the form set out in Exhibit R including any revision or extension of such offer;
"Bi-annual Estimate"	an estimate pursuant to Paragraph 2.21.2 of all payments to be made or which may be required to be made by the User in any relevant period, such estimate to be substantially in the form set out in Exhibit L to the CUSC ;
"Bid"	as defined in the Balancing and Settlement Code ;
"Bid-Offer Acceptance"	as defined in the Balancing and Settlement Code ;
"Bid-Offer Volume"	as defined in the Balancing and Settlement Code ;
"Bilateral Agreement"	in relation to a User , a Bilateral Connection Agreement or a Bilateral Embedded Generation Agreement , or a BELLA between The Company and the User ;

"Bilateral Connection Agreement"	an agreement entered into pursuant to Paragraph 1.3.1 a form of which is set out in Exhibit 1 to Schedule 2 ;
"Bilateral Embedded Generation Agreement"	an agreement entered into pursuant to Paragraph 1.3.1, a form of which is set out in Exhibit 2 to Schedule 2 ;
"Bilateral Embedded Licence exemptable Large power station Agreement" or "BELLA"	an agreement in respect of an Embedded Exemptable Large Power Station entered into pursuant to Paragraph 1.3.1, a form of which is set out in Exhibit 5 to Schedule 2 ;
"Bilateral Insurance Policy"	a policy of insurance taken out by the User with a company in the business of providing insurance who meets the Requirements for the benefit of The Company and upon which The Company can claim if the circumstances set out in CUSC Paragraph 5.3.1(b) (i) to (v) arise in respect of such User and which shall provide security for the Agreed Value . In addition The Company may accept such a policy from such a company who does not meet the Requirements up to an Agreed Value where The Company agrees or where The Company does not agree as determined by an expert appointed by The Company and the User or failing their agreement as to the expert the expert nominated by the Director General of The Institute of Credit Management;
"Block LDTEC"	is at any given time the lower of the MW figure in the LDTEC Profile or Adjusted LDTEC Profile for an LDTEC Period
"BM Unit"	as defined in the Balancing and Settlement Code ;
"BM Unit Identifiers"	the identifiers (as defined in the Balancing and Settlement Code) of the BM Units ;
"BM Unit Metered Volume"	as defined in the Balancing and Settlement Code ;
"Boundary Point Metering System"	as defined in the Balancing and Settlement Code ;
"British Grid Systems Agreement"	the agreement made on 30 March 1990 of that name between The Company , Scottish Hydro Electric plc, and Scottish Power plc;
"BSC Agent"	as defined in the Balancing and Settlement

	Code;
"BSC Framework Agreement"	as defined in the Transmission Licence ;
"BSC Panel"	the Panel as defined in the Balancing and Settlement Code ;
"BSC Party"	a person who is for the time being bound by the Balancing and Settlement Code by virtue of being a party to the BSC Framework Agreement ;
"Business Day"	any week-day other than a Saturday on which banks are open for domestic business in the City of London;
"Business Person"	any person who is a Main Business Person or a Corporate Functions Person and " Business Personnel " shall be construed accordingly;
<u>"Capability Payment"</u>	<u>as defined in Paragraph 4.2A.4(a)(i):</u>
<u>"Category 1 Intertripping Scheme"</u>	<u>as defined in the Grid Code:</u>
<u>"Category 2 Intertripping Scheme"</u>	<u>as defined in the Grid Code:</u>
<u>"Category 3 Intertripping Scheme"</u>	<u>as defined in the Grid Code:</u>
<u>"Category 4 Intertripping Scheme"</u>	<u>as defined in the Grid Code:</u>
"CCGT Unit"	a Generating Unit within a CCGT Module ;
"Central Volume Allocation"	as defined in the Balancing and Settlement Code ;
"Charging Date"	as defined in the Construction Agreement ;
"Charging Dispute"	as defined in Paragraph 7.2.1;
"Charging Methodologies"	(a) the Use of System Charging Methodology ; and/or (b) the Connection Charging Methodology .
"Charging Methodology Forum"	the forum (and related arrangements) established to facilitate meetings between The Company and any other persons whose interests are materially affected by the applicable Charging Methodologies for the purpose of discussing the further development of the applicable Charging Methodologies .
"Charging Statements"	the Statement of the Connection Charging Methodology , the Statement of the Use of

<u>"Circuit Breaker"</u>	System Charging Methodology , and the Statement of Use of System Charges ; <u>a mechanical switching device, capable of making, carrying and breaking currents under normal circuit conditions and also of making, carrying for a specified time and breaking currents under specified abnormal circuit conditions, such as those of short circuit;</u>
"CMRS"	as defined in the Balancing and Settlement Code ;
"Code Administration Code of Practice"	the code of practice approved by the Authority and: (a) developed and maintained by the code administrators in existence from time to time; and (b) amended subject to the Authority's approval from time to time; and (c) re-published from time to time.
"Code Administrator"	The Company carrying out the role of Code Administrator pursuant to Section 8.
"Code of Practice"	as defined in the Balancing and Settlement Code ;
"Combined Cycle Gas Turbine Module" or "CCGT Module"	a collection of Generating Units (registered under the Grid Code PC) comprising one or more Gas Turbine Units (or other gas based engine units) and one or more Steam Units where, in normal operation, the waste heat from the Gas Turbine Units is passed to the water/steam system of the associated Steam Units and where the component units within the CCGT Module are directly connected by steam or hot gas lines to enable those units to contribute to the efficiency of the combined cycle operation of the CCGT Module ;
"Commercial Ancillary Services"	as defined in the Grid Code ;
"Commercial Boundary"	(unless otherwise defined in the relevant Mandatory Services Agreements), the commercial boundary between either The Company or a Public Distribution System Operator (as the case may be) and the User at the higher voltage terminal of the generator step-up transformer;
"Commercial Services Agreement"	an agreement between The Company and a User or other person to govern the provision of

	and payment for one or more Agreed Ancillary Services ;
"Commissioned"	in respect of Plant and Apparatus commissioned before the Transfer Date means Plant and Apparatus recognised as having been commissioned according to the commissioning procedures current at the time of commissioning and in respect of Plant and Apparatus commissioned after the Transfer Date means Plant and/or Apparatus certified by the Independent Engineer as having been commissioned in accordance with the relevant Commissioning Programme ;
"Commissioning Programme"	in relation to a particular user, as defined in its Construction Agreement ;
"Commissioning Programme Commencement Date"	as defined in relation to a particular User in the Construction Agreement ;
"Competent Authority"	the Secretary of State , the Authority and any local or national agency, authority, department, inspectorate, minister (including Scottish ministers), ministry, official or public or statutory person (whether autonomous or not) of, or of the government of, the United Kingdom or the European Community;
"Completion Date"	in relation to a particular User , as defined in its Construction Agreement ;
"Composite Demand Charges"	in respect of a User its Demand related Transmission Network Use of System Charges for each Transmission Network Use of System Demand Zone ;
"Confidential Information"	all data and other information supplied to a User by another CUSC Party under the provisions of the CUSC or any Bilateral Agreement, Construction Agreement or Mandatory Services Agreement ;
"Connected Planning Data"	in relation to a particular user, as defined in its Construction Agreement ;
"Connection"	a direct connection to the National Electricity Transmission System by a User ;
"Connection Application"	an application for a New Connection Site in the form or substantially in the form set out in Exhibit B to the CUSC ;
"Connection Boundary"	shall be the boundary defined by Paragraph

[insert reference to paragraph 1.6 of connection charging methodology];

"Connection Charges"	charges made or levied or to be made or levied for the carrying out (whether before or after the date on which the Transmission Licence comes into force) of works and provision and installation of electrical plant, electric lines and ancillary meters in constructing entry and exit points on the National Electricity Transmission System , together with charges in respect of maintenance and repair of such items in so far as not otherwise recoverable as Use of System Charges , all as more fully described in the Transmission Licence , whether or not such charges are annualised, including all charges provided for in the statement of Connection Charging Methodology (such as Termination Amounts and One-off Charges);
"Connection Charging Methodology"	as defined in the Transmission Licence ;
"Connection Conditions" or "CC"	that portion of the Grid Code which is identified as the Connection Conditions ;
"Connection Entry Capacity"	the figure specified as such for the Connection Site and each Generating Units as set out in Appendix C of the relevant Bilateral Connection Agreement ;
"Connection Offer"	an offer or (where appropriate) the offers for a New Connection Site in the form or substantially in the form set out in Exhibit C including any revision or extension of such offer or offers;
"Connection Site"	each location more particularly described in the relevant Bilateral Agreement at which a User's Equipment and Transmission Connection Assets required to connect that User to the National Electricity Transmission System are situated. If two or more Users own or operate Plant and Apparatus which is connected at any particular location that location shall constitute two (or the appropriate number of) Connection Sites ;
"Connection Site Demand Capability"	the capability of a Connection Site to take power to the maximum level forecast by the User from time to time and forming part of the Forecast Data supplied to The Company pursuant to the Grid Code together with such margin as The Company shall in its reasonable

	opinion consider necessary having regard to The Company's duties under its Transmission Licence ;
"Consents"	in relation to a particular User , as defined in its Construction Agreement , and as provided for in Section 11 ;
"Construction Agreement"	an agreement entered into pursuant to Paragraph 1.3.2;
"Construction Programme"	in relation to a particular User , as defined in its Construction Agreement ;
"Construction Works"	In relation to a particular User , as defined in its Construction Agreement ;
"Consumption"	as defined in the Balancing and Settlement Code in relation to a Consumption BM Unit;
"Control Telephony"	as defined in the Grid Code ;
"Contract Test"	a test (not being a Reactive Test) described in a Market Agreement ;
"Contract Start Days"	as defined in Paragraph 3.3 of Schedule 3, Part I;
"Core Industry Documents"	as defined in the Transmission Licence ;
"Core Industry Document Owner"	in relation to a Core Industry Document , the body(ies) or entity(ies) responsible for the management and operation of procedures for making changes to such document;
"Corporate Functions Person"	any person who is: <ul style="list-style-type: none"> (a) a director of The Company; or (b) an employee of The Company or any of its subsidiaries carrying out any administrative, finance or other corporate services of any kind which in part relate to the Main Business; or (c) engaged as an agent of or adviser to or performs work in relation to or services for the Main Business;
"Cost Statement"	as defined in Paragraph 2.14.3;
"Credit Assessment Score"	a score between zero and ten given by an Approved Agency in the Independent Credit Assessment ;

" Credit Assessment Sum "	the proportion of the of the Unsecured Credit Cover extended by NGC to a User who does not meet the Approved Credit Rating and calculated in accordance with Paragraph 3.26.6;
" Credit Rating "	the credit requirements set by The Company from time to time in relation to Termination Amounts ;
" CUSC "	this Connection and Use of System Code ;
" CUSC Framework Agreement "	as defined in the Transmission Licence ;
" CUSC Implementation Date "	00.01 on the 18 September 2001;
" CUSC Modification Procedures "	the procedures for the modification of the CUSC (including the implementation of Approved CUSC Modifications) as set out in Section 8;
" CUSC Modification Process "	the part of the CUSC Modification Procedures relating to consideration by the CUSC Modifications Panel and Workgroups , consultation by the Workgroups and <u>The Company</u> and preparation of an CUSC Modification Report by The Company ;
" CUSC Modification Proposal "	a proposal to modify the CUSC which is not rejected pursuant to Paragraphs 8.16.3 or 8.16.4 and has not yet been implemented;
" CUSC Modification Register "	as defined in Paragraph 8.13.1;
" CUSC Modification Report "	a report prepared pursuant to Paragraph 8.23;
"CUSC Modification Self-Governance Report"	a report prepared pursuant to Paragraph 8.25;
" CUSC Modifications Panel "	the body established and maintained pursuant to Paragraph 8.3;
"CUSC Modifications Panel Assessment Vote"	The vote of Panel Members undertaken by the Panel Chairman in accordance with Paragraph 8.17.10 as to whether they believe each CUSC Modification Proposal is suitable for inclusion in a Significant Code Review .
" CUSC Modifications Panel Recommendation Vote "	The vote of Panel Members undertaken by the Panel Chairman in accordance with Paragraph 8.24.4 as to whether they believe each CUSC Modification Proposal , or Workgroup Alternative CUSC Modification would better facilitate achievement of the applicable CUSC Objective(s) ;

"CUSC Modifications Panel Self-Governance Vote"

The vote of **Panel Members** undertaken by the **Panel Chairman** in accordance with Paragraph.8.25.9 as to whether they believe each **CUSC Modification Proposal**, or **Workgroup Alternative CUSC Modification** would better facilitate achievement of the **Applicable CUSC Objective(s)**;

"CUSC Party"

as defined in the **Transmission Licence**;

"Customer"

a person to whom electrical power is provided (whether or not he is the provider of such electrical power) other than power to meet **Station Demand** of that person;

"Customer Services Team"

the customer services team identified within **The Company** which manages the commercial interface with parties connected to the transmission network, as identified on the **Website**;

"DC Converter"

As defined in the **Grid Code**;

"Data Registration Code" or "DRC"

the portion of the **Grid Code** which is identified as the **Data Registration Code**;

"DCLF"

direct current loadflow;

"Deemed HH Forecasting Performance"

the sum calculated in accordance with Appendix 2 Paragraph 3 as it may be revised in accordance with paragraph 3.22.7.

"Deemed NHH Forecasting Performance"

the sum calculated in accordance with Appendix 2 Paragraph 6 as it may be revised pursuant to Paragraph 3.22.8.

"Deenergisation" or "Deenergise(d)"

the movement of any isolator, breaker or switch or the removal of any fuse whereby no electricity can flow to or from the relevant **System** through the **User's Equipment**;

"Defaulting Party"

as defined in Paragraph 4.3.2.11;

"Defendant Party"

as defined in Paragraph 7.5.1;

"Delivering"

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

"De-Load"

the difference (expressed in MW) between the **Maximum Export Limit** and the **Final Physical Notification Data** as adjusted by the **Acceptance Volume** in respect of a **Bid-Offer Acceptance** (if any), and "De-Loaded" shall be

construed accordingly;

"Demand"

the demand of MW and Mvar of electricity (i.e. both **Active Power** and **Reactive Power**), unless otherwise stated;

"Demand Forecast"

a **Users** forecast of its **Demand** submitted to **The Company** in accordance with paragraphs 3.10, 3.11 and 3.12;

"Depreciation Period"

in relation to a **Transmission Connection Asset** for a particular **User**, the period which commences on the asset's initial effective charging date, and which expires after the appropriate duration, which unless otherwise agreed upon connection is 40 years excluding FMS metering electronics that are agreed between the **User** and **The Company**;

"Derogation"

a direction issued by the **Authority** relieving a **CUSC Party** from the obligation under its **Licence** to comply with such parts of the **Grid Code** or any **Distribution Code** or in the case of **The Company** the **Transmission Licence** as may be specified in such direction and **"Derogated"** shall be construed accordingly;

"Derogated Plant"

Plant or **Apparatus** which is the subject of a **Derogation**;

"Design Variation"

is a connection design (which provides for connection to the **National Electricity Transmission System**) which fails to satisfy the relevant deterministic criteria detailed for an Onshore Connection in paragraphs 2.5 to 2.13 and for an Offshore Connection in 7.7 to 7.19, as appropriate, of the **NETS SQSS**;

"Designated Sum"

means such sum as shall be directed by the **Authority** as soon as practicable after the determination of an approved **Use of System Charging Methodology**;

"De-synchronisation"

the act of taking a **BM Unit** off a **System** to which it has been **Synchronised**, by opening any connecting circuit breaker, and **"De-synchronised"** shall be construed accordingly;

"Detailed Planning Data"

detailed additional data which **The Company** requires under the **PC** in support of Standard Planning Data;

"Directive"

includes any present or future directive, requirement, instruction, direction or rule of any **Competent Authority**, (but only, if not having

the force of law, if compliance with the **Directive** is in accordance with the general practice of persons to whom the **Directive** is addressed) and includes any modification, extension or replacement thereof then in force;

"Directly-connected User" or
"Directly-Connected Customer"

A large, usually industrial, consumer of electricity who is directly connected to the **National Electricity Transmission System**;

"Disconnect" or "Disconnection"

without prejudice to the interpretation of the terms "**Disconnect**" or "**Disconnection**" to **Users** acting in capacities other than those detailed, the following definitions shall apply:

- (a) for **Users** acting in their capacity as **Generators with Embedded Large Power Stations** or **Embedded Medium Power Stations**, passing power on to a **Distribution System** through a connection to a **Distribution System** which had not been commissioned as at the **Transfer Date**, means permanent physical disconnection of the **User's Equipment** at the site of connection to the **Distribution System**;
- (b) for **Users** who are **Trading Parties** (as defined in the **Balancing and Settlement Code**) acting in their capacity as responsible for **Small Power Stations** which are **Embedded**, means, permanent physical disconnection of the **User's Equipment** or **Equipment** for which the **User** is responsible (as defined in Section K of the **Balancing and Settlement Code**) at the site of connection to the **Distribution System**;
- (c) for **Users** acting in a capacity other than those detailed in (a) or (b), means permanent physical disconnection of a **User's Equipment** at any given **Connection Site** which permits removal thereof from the **Connection Site** or removal of all **Transmission Connection Assets** therefrom (as the case may be);

"Dispute Resolution Procedure"

the procedures set out in Section 7;

"Dispute Statement"

as defined in Paragraph 3.15.4;

"Distribution Agreement"

an agreement entered into by a **User** with the owner/operator of the **Distribution System** for

	the connection of the User's Equipment (or equipment for which the User is responsible (as defined in Section K of the Balancing and Settlement Code) to and use of such Distribution System ;
"Distribution Code(s)"	the Distribution Code(s) drawn up by Public Distribution System Operators pursuant to the terms of their respective Licence(s) as from time to time revised in accordance with those Licences ;
"Distribution Connection Agreement"	an agreement between a User who owns or operates a Distribution System and an owner of a Power Station for connection to that User's Distribution System .
"Distribution Interconnector"	as defined in the Balancing and Settlement Code ;
"Distribution Interconnector Owner"	the Owner of a Distribution Interconnector or of that part of a Distribution Interconnector directly connected to a Distribution System ;
"Distribution Licence"	a licence issued under section 6(1)(c) of the Act ;
"Distribution System"	the system consisting (wholly or mainly) of electric lines owned or operated by any Authorised Electricity Operator and used for the distribution of electricity from Grid Supply Points or generation sets or other entry points to the point of delivery to Customers or Authorised Electricity Operators , and includes any Remote Transmission Assets operated by such Authorised Electricity Operator and any electrical plant and meters owned or operated by the Authorised Electricity Operator in connection with the distribution of electricity, but shall not include any part of the National Electricity Transmission System ;
"Distribution Voltage"	a voltage of 132kV or below in England & Wales. A voltage of below 132kV in Scotland. Generally taken to be voltages lower than those defined as transmission voltages;
"Dormant CUSC Party"	a CUSC Party which does not enjoy any ongoing rights and/or obligations for the period of its dormancy under the CUSC , as provided for in Section 5;
"Earthing"	as defined in the Grid Code ;

"EdF Documents"	as defined in the Balancing and Settlement Code ;
"Election Timetable"	as defined in Paragraph 8A.1.2.1;
"Election Year"	as defined in Paragraph 8A.1.1.2;
"Electricity Arbitration Association"	as the phrase ' Electricity Supply Industry Arbitration Association ' is defined in the Grid Code ;
"Eligible Small Generator"	defined as an eligible generator in Standard Condition 13 of the Transmission Licence;
"Embedded"	<p>a direct connection to a Distribution System or the System of any other User to which Customers and/or Power Stations are connected;</p> <p>In the context of the Charging Methodologies it shall mean a direct connection to a Distribution System or the System of any other User to which Customers and/or Power Stations are connected, such connection being either a direct connection or a connection via a busbar of another User or of a Transmission Licensee (but with no other connection to the National Electricity Transmission System);</p>
"Embedded Generator MW Register"	the Register set up by The Company pursuant to Paragraph 6.35;
"Emergency Deenergisation Instruction"	<p>an instruction issued by The Company to a User to either:</p> <p>(a) Deenergise that User's Equipment, or</p> <p>(b) request the owner of the Distribution System to which the User's Equipment or equipment for which that User is responsible (as defined in Section K of the Balancing and Settlement Code) is connected to Deenergise that User's Equipment or equipment for which that User is responsible (as defined in Section K of the Balancing and Settlement Code or ;</p> <p>(c) declare its Maximum Export Limit in respect of the BM Unit(s) associated with such User's Equipment to zero and to maintain it</p>

at that level during the **Interruption Period**,

where in **The Company's** reasonable opinion:

- (i) the condition or manner of operation of any **Transmission Plant** and/or **Apparatus** is such that it may cause damage or injury to any person or to the **National Electricity Transmission System**; and
- (ii) if the **User's Equipment** connected to such **Transmission Plant** and/or **Apparatus** was not **Deenergised** and/or the **Maximum Export Limit** of such **User's Equipment** connected to such **Transmission Plant** and/or **Apparatus** was not reduced to zero then it is likely that the **Transmission Plant** and/or **Apparatus** would automatically trip; and
- (iii) if such **Transmission Plant** and/or **Apparatus** had tripped automatically, then
 - (I) the **BM Unit** comprised in such **User's Equipment** (other than an **Interconnector Owner**); or
 - (II) an **Interconnector** of an **Affected User** who is an **Interconnector Owner**,

would, solely as a result of **Deenergisation of Plant** and **Apparatus** forming part of the **National Electricity Transmission System**, have been **Deenergised**.

"Emergency Instruction"

as defined in the **Grid Code**;

"End Date"

shall mean 5.00pm on the date 12 months from (and not including) the **Security Amendment Implement Date**;

"Energisation" or "Energise(d)"

the movement of any isolator, breaker or switch or the insertion of any fuse so as to enable **Energy** to flow from and to the relevant **System** through the **User's Equipment**;

"Energy"	the electrical energy produced, flowing or supplied by an electric circuit during a time interval, being the integral with respect to time of the power, measured in units of watt-hours or standard multiples thereof i.e. 1000 Wh = 1KWh 1000 KWh = 1MWh 1000 MWh = 1GWh 1000 GWh = 1TWh;
"Energy Metering Equipment"	as the phrase " Metering Equipment " is defined in the Balancing and Settlement Code ;
"Energy Metering System"	as the phrase " Metering System " is defined in the Balancing and Settlement Code ;
"Enforceable"	The Company (acting reasonably) is satisfied that the security is legally enforceable and in this respect the User shall obtain such legal opinion at its expense as The Company (acting reasonably shall require);
"Engineering Charge"	as set out in the Statement of Use of System Charges from time to time;
"Enhanced Reactive Power Service"	as defined in Paragraph 1.2 of Schedule 3, Part I;
"Enhanced Rate"	in respect of any day the rate per annum which is 4% per annum above the Base Rate ;
"Escrow Account"	a separately designated bank account in the name of The Company at such branch of Barclays Bank PLC or such branch of any other bank, in the City of London as is notified by The Company to the User , bearing interest from (and including) the date of deposit of principal sums to (but excluding) the date of withdrawal of principal sums from such account, mandated for withdrawal of any sums solely by The Company ;
"Estimated Demand"	the forecast Demand (Active Power) data filed with The Company pursuant to the Charging Statements ;
"ET Interface Operator"	the operator of the Onshore Distribution System to which an ET Offshore Transmission System connects;
"ET Interface Point"	the electrical point of connection between an Offshore Transmission System and an

	Onshore Distribution System and in relation to a particular User as defined in its Bilateral Connection Agreement ;
“ET Offshore Transmission System”	an Offshore Transmission System connected at an ET Interface Point ;
“ET Restrictions on Availability”	is in the context of an ET Offshore Transmission System the reduction in capability as set out in the relevant Notification of ET Restrictions on Availability ;
“ET Use of System Charges”	the element of Use of System Charges consisting of charges payable by The Company to the ET Interface Operator in respect of the connection to a Distribution System by an Offshore Transmission System and use of such Distribution System by means of such Offshore Transmission System ;
“Event”	as defined in the Grid Code ;
“Event of Default”	any of the events set out in Section 5 as constituting an event of default;
“Exchange Rate”	the Transmission Entry Capacity available to a specific party as a direct result of a specific reduction in the Transmission Entry Capacity available to another party.
“Exchange Rate Request”	a joint request from a User and another User to calculate the Exchange Rate that would apply were they to agree to a TEC Trade .
“Excitation System”	the equipment providing the field current of a machine, including all regulating and control elements as well as field discharge or suppression equipment and protective devices;
“Exemptable”	where the person generating electricity at the relevant Power Station is, or would be (if it generated electricity at no other Power Station and/or did not hold a Generation Licence) exempt from the requirement to hold a Generation Licence under the Act ;
“Existing Offshore Generator”	as defined in the Transmission Licence ;
“Exempt Export BM Unit”	as defined in the Balancing and Settlement Code ;
“Exempt Generator”	any generator who, under the terms of the Electricity (Class Exemptions from the Requirement for a Licence) Order 2001, is not obliged to hold a generation licence;

"Exemptible Generation"	generating Plant where the party generating electricity at that generating plant is, or would (if it generated electricity at no other generating plant and/or did not hold a generation licence) be, exempt from the requirement to hold a generation licence (including Scottish generation that export between 50 and 100MW that was connected on or before 30 September 2000);
"Exempt Power Station"	a Power Station where the person generating electricity at that Power Station is exempt from the requirement to hold a Generation Licence under the Act ;
"Existing Offshore Generator"	as defined in the Transmission Licence ;
"Existing Security Cover"	the Security Cover held by NGC in respect of a User pursuant to CUSC Section 3 Part III immediately prior to the Security Amendment Implementation Date ;
"Export"	as defined in the Balancing and Settlement Code ;
"External Interconnection"	as defined in the Grid Code ;
"Externally Interconnected System Operator"	as defined in the Grid Code ;
"Final Adjustments Statement"	as defined in Paragraph 4.3.2.6(b);
"Final Demand Reconciliation Statement"	as defined in Paragraph 3.12.7(a);
"Final Monthly Statement"	as defined in Paragraph 4.3.2.6;
"Final Physical Notification Data"	as defined in the Balancing and Settlement Code ;
"Final Reconciliation Settlement Run"	as defined in the Balancing and Settlement Code ;
"Final Reconciliation Volume Allocation Run"	as defined in the Balancing and Settlement Code ;
"Final Statement"	as defined in Paragraph 4.3.2.6(a);
"Final Sums"	in relation to a particular User , as defined in its Construction Agreement ;
"Financial Year"	the period of 12 months ending on 31st March in each calendar year;

"First Offer"	as defined in Paragraph 6.10.4;
"First User"	as defined in Paragraph 6.10.3;
"FMS Date"	1st April 1993;
"Force Majeure"	in relation to any CUSC Party any event or circumstance which is beyond the reasonable control of such CUSC Party and which results in or causes the failure of that CUSC Party to perform any of its obligations under the CUSC including act of God, strike, lockout or other industrial disturbance, act of the public enemy, war declared or undeclared, threat of war, terrorist act, blockade, revolution, riot, insurrection, civil commotion, public demonstration, sabotage, act of vandalism, lightning, fire, storm, flood, earthquake, accumulation of snow or ice, lack of water arising from weather or environmental problems, explosion, fault or failure of Plant and Apparatus (which could not have been prevented by Good Industry Practice), governmental restraint, Act of Parliament, other legislation, bye law and Directive (not being any order, regulation or direction under section 32, 33, 34 and 35 of the Act) provided that lack of funds shall not be interpreted as a cause beyond the reasonable control of that CUSC Party and provided, for the avoidance of doubt, that weather conditions which are reasonably to be expected at the location of the event or circumstance are also excluded as not being beyond the reasonable control of that CUSC Party ;
"Forecasting Performance Related VAR "	the sum of HH . Forecasting Performance Related VAR and NHH Forecasting Performance Related VAR .
"Frequency"	the number of alternating current cycles per second (expressed in Hertz) at which a System is running;
"Frequency Deviation"	a positive or negative deviation from Target Frequency ;
"Frequency Response"	an automatic response by a BM Unit or CCGT Unit to a change in Frequency with the aim of containing System Frequency within the limits provided for under the Grid Code ;

"Frequency Sensitive Mode"	as defined in the Grid Code ;
"Fuel Security Code"	the document of that title designated as such by the Secretary of State as from time to time amended;
"GB Transmission System" or "GBTS"	for the purposes of Section 12 means the system consisting (wholly or mainly) of high voltage electric wires owned or operated by transmission licensees within Great Britain and used for the transmission of electricity from one Power Station to a sub-station or to another Power Station or between sub-stations or to or from any External Interconnection and includes any Plant and Apparatus or meters owned or operated by any transmission licensee within Great Britain in connection with the transmission of electricity but shall not include Remote Transmission Assets ;
"Gas Turbine Unit"	a Generating Unit driven by a gas turbine (for instance an aero-engine);
"Generating Plant"	a Large Power Station ;
"Generating Unit"	unless otherwise provided in the Grid Code any Apparatus which produces electricity;
"Generation Business"	the authorised business of The Company or any Affiliate or Related Undertaking in the generation of electricity or the provision of Balancing Services , in each case from pumped storage and from the Kielder hydro-electric generating station;
"Generation Capacity"	the normal full load capacity of a Generating Unit as declared by the Generator , less the MW consumed by the Generating Unit through the Generating Unit's unit transformer when producing the same;
"Generation Licence"	the licence granted to a Generator pursuant to section 6(1)(a) of the Act ;
"Generation Reconciliation Statement"	as defined in Paragraph 3.12.2;
"Generator"	a person who generates electricity under licence or exemption under the Act ;
"Genset"	as defined in the Grid Code ;

"Good Industry Practice"	in relation to any undertaking and any circumstances, the exercise of that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced operator engaged in the same type of undertaking under the same or similar circumstances;
"Great Britain"	The landmass of England and Wales and Scotland, including internal waters;
"Grid Code"	the Grid Code drawn up pursuant to the Transmission Licence , as from time to time revised in accordance with the Transmission Licence ;
"Grid Supply Point" ("GSP")	a point of delivery from the National Electricity Transmission System to a Distribution System or a Non-Embedded Customer ;
"Gross Asset Value"	the value calculated by The Company in accordance with recognised accounting principles and procedures as published by The Company from time to time;
<u>"Group"</u>	<u>as defined in the Grid Code</u> ;
"GSP Group"	as defined in the Balancing and Settlement Code ;
"HH Base Percentage"	the % value for the relevant Security Period as specified in the table in paragraph 1 of Appendix 2.
"HH Base Value at Risk"	the sum as calculated in accordance with Paragraph 3.22.3.
"HH Charges"	that element of Transmission Network Use of System Demand Charges relating to half-hourly metered Demand .
"HH Forecasting Performance Related VAR "	the amount resulting from multiplying the Deemed HH Forecasting Performance and the Indicative Annual HH TNUoS Charge calculated on the basis of the latest Demand Forecast received by The Company .
"High Frequency Response"	as defined in the Grid Code ;
"High Voltage" or "HV"	a voltage exceeding 650 volts;
"Holding Payment"	that component of the payment for Mode A Frequency Response calculated in accordance

	with Paragraph 4.1.3.9;
"Housekeeping Amendment"	an Amendment Proposal relating to the correction of cross referencing or paragraph numbering, corrections to tables of contents and contact details, spelling or typographical errors, the deletion or insertion of text which has previously been retained or deleted erroneously following implementation of an earlier Proposed Amendment where the Amendments Panel so agrees that the Amendment Proposal can be treated as a Housekeeping Amendment;
"Housekeeping Amendment Report"	the report submitted by The Company to the Authority in accordance with Paragraph 8.22.2.2;
"ICRP"	Investment cost related pricing;
"Implementation Date"	<u>is the date and time for implementation of an Approved CUSC Modification as specified in accordance with Paragraph 8.28.3;</u>
"Import"	as defined in the Balancing and Settlement Code ;
"Income Adjusting Event"	as defined in the Transmission Licence ;
"Indemnified Persons"	as defined in Paragraph 8. 11 <u>12</u> .1;
"Independent Engineer"	in relation to a particular User , as defined in its Construction Agreement ;
"Independent Credit Assessment"	an assessment of the creditworthiness of a User by an Approved Agency as nominated by the User obtained in accordance with Paragraph 3.26.7, 3.26.8 and 3.26.9;
"Independent Security Arrangement"	a guarantee in favour of The Company in a form satisfactory to The Company and which is provided by an entity which meets the Requirements . In addition The Company may accept such a policy from an entity who does not meet the Requirements up to an Agreed Value where The Company agrees or where The Company does not agree as determined by an expert appointed by The Company and the User or failing their agreement as to the expert the expert nominated by the Director General of The Institute of Credit Management;
"Indicative Annual HH TNUoS charge"	The Company's forecast of the User's total HH Charges relating to a Financial Year .
"Indicative Annual NHH TNUoS charge"	The Company's forecast of the User's total NHH Charges relating to a Financial Year .

"Indicative Block LDTEC"	is the Available LDTEC .
"Indicative Maximum Generation Capability"	has the meaning attributed to it in Paragraph 4.2.3.2;
"Initial Charge"	as defined in Paragraph 3.15.2;
"Initial Demand Reconciliation Statement"	as defined in Paragraph 3.12.4;
"Initial Volume Allocation Run"	as defined in the Balancing and Settlement Code ;
"Initial Settlement Run"	as defined in the Balancing and Settlement Code ;
"Insurance Performance Bond"	a Performance Bond provided by a company in the business of providing insurance which meets the Requirements . In addition The Company may accept such a policy from such a company who does not meet the Requirements up to an Agreed Value where The Company agrees or where The Company does not agree as determined by an expert appointed by The Company and the User or failing their agreement as to the expert the expert nominated by the Director General of The Institute of Credit Management;
"Intellectual Property" or "IPRs"	patents, trade marks, service marks, rights in designs, trade names, copyrights and topography rights (whether or not any of the same are registered and including applications for registration of any of the same) and rights under licences and consents in relation to any of the same and all rights or forms of protection of a similar nature or having equivalent or similar effect to any of the same which may subsist anywhere in the world;
"Interconnected System Operator"	as defined in the Balancing and Settlement Code ;
"Interconnector"	as defined in the Balancing and Settlement Code ;
"Interconnector Asset Owner"	the owner of the Interconnector;
"Interconnector Error Administrator"	as defined in the Balancing and Settlement Code ;
"Interconnector Owner"	the owner of an Interconnector , or of that part of an Interconnector , directly connected to the National Electricity Transmission System ;

"Interconnector User"	<ul style="list-style-type: none"> (a) in relation to an Interconnector connected to the National Electricity Transmission System, as defined in the Balancing and Settlement Code; and (b) in relation to a Distribution Interconnector, a Lead Party (as defined in the Balancing and Settlement Code) in respect of a single BM Unit where under Section K5 of the Balancing and Settlement Code the BM Unit has been allocated in relation to that Distribution Interconnector or if there is no such allocation, as defined in the Balancing and Settlement Code;
"Interface Agreement"	the agreement(s) entered into pursuant to Paragraph 2.11 and Paragraph 9.15 based substantially on the forms set out in Exhibit O to the CUSC ;
"Interim Panel and Alternate Election process"	As defined in Paragraph 8A.4.3.2
"Interruption"	<p>where either:-</p> <ul style="list-style-type: none"> (i) solely as a result of Deenergisation of Plant and Apparatus forming part of the National Electricity Transmission System; or (ii) in accordance with an Emergency Deenergisation Instruction; <ul style="list-style-type: none"> a) a BM Unit comprised in the User's Equipment of an Affected User (other than an Interconnector Owner) is Deenergised; or b) an Interconnector of an Affected User who is an Interconnector Owner is Deenergised.; or c) The Maximum Export Limit in respect of the BM Unit(s) associated with such User's Equipment is zero.
"Interruption Payment"	<p>the payment for each day or part thereof of the Interruption Period calculated as follows:</p> <ol style="list-style-type: none"> 1. In the case of a Relevant Interruption arising as a result of a Planned Outage the higher of: <ol style="list-style-type: none"> A. the £ per MW calculated by reference to the total TNUoS income derived from generators divided by

the total system **Transmission Entry Capacity**, in each case using figures for the **Financial Year** prior to that in which the **Relevant Interruption** occurs, this is then divided by 365 to give a daily £ per MW rate; or

- B. the actual £ per MW of an **Affected User** by reference to the tariff in the **Use of System Charging Statement** for the **Financial Year** in which the **Relevant Interruption** occurs divided by 365 to give a daily £ per MW rate.

A or B are then multiplied by:

- a) in the case of an **Affected User** other than an **Interconnected Owner** the MW arrived at after deducting from the **Transmission Entry Capacity** for the **Connection Site** the sum of the **Connection Entry Capacity** of the unaffected **BM Units** at the **Connection Site**; and
- b) in the case of an **Affected User** who is an **Interconnector Owner** the MW specified in the **Transmission Entry Capacity** for the **Connection Site**.

2. In the case of a **Relevant Interruption** arising as a result of an **Emergency Deenergisation Instruction**:

- (a) sum equal to the price in £/MWh for the relevant **Settlement Period(s)** (as provided for in Section T 4.4.5 of the **Balancing and Settlement Code**) for each **Settlement Period** (or part thereof) from the time when the **Emergency Deenergisation Instruction** was issued by **The Company** until the first **Settlement Period** for which **Gate Closure** had not (at the time the **Emergency Deenergisation Instruction** was issued by **The Company**) occurred

multiplied by:

- (i) in the case of an **Affected User** other than an **Interconnected Owner** the MW arrived at after deducting from the **Transmission**

Entry Capacity for the **Connection Site** the sum of the **Connection Entry Capacity** of the unaffected **BM Units** at the **Connection Site**; and

- (ii) in the case of an **Affected User** who is an **Interconnector Owner** the MW specified in the **Transmission Entry Capacity** for the **Connection Site**,
- (b) For each subsequent **Settlement Period** of the **Relevant Interruption** which occurs within the first 24 hours of the **Relevant Interruption**, a sum equal to the price in £/MWh for the relevant **Settlement Period(s)** (as provided for in Section T 1.5.3 of the **Balancing and Settlement Code**)

multiplied by:

- (i) in the case of an **Affected User** other than an **Interconnector Owner** the MW arrived at after deducting from the **Transmission Entry Capacity** for the **Connection Site** the sum of the **Connection Entry Capacity** of the unaffected **BM Units** at the **Connection site**; and
 - (ii) in the case of an **Affected User** who is an **Interconnector Owner** the MW specified in the **Transmission Entry Capacity** for the **Connection Site**; and
- (c) and after the first 24 hours a sum calculated as 1 above

3. In the case of all other **Relevant Interruptions**:

For each **Settlement Period** of the **Relevant Interruption** which occurs within the first 24 hours of the **Relevant Interruption**, a sum equal to the price in £/MWh for the relevant **Settlement Period(s)** (as provided for in Section T 1.5.3 of the **Balancing and Settlement Code**).

Multiplied by:

- a) in the case of an **Affected User** other than an **Interconnector Owner** the MW arrived at after deducting from

the **Transmission Entry Capacity** for the **Connection Site** the sum of the **Connection Entry Capacity** of the unaffected **BM Units** at the **Connection Site**; and

- b) in the case of an **Affected User** who is an **Interconnector Owner** the MW specified in the **Transmission Entry Capacity** for the **Connection Site**

and after the first 24 hours a sum calculated as 1 above.

Provided always that an **Affected User** shall not receive payment for more than one **Relevant Interruption** in any given day;

"Interruption Period"

the period in days commencing with the notification by **The Company** to the **Affected User** of the start of **Relevant Interruption** and ending on the notification by **The Company** the **Affected User** that the **Relevant Interruption** has ended;

"Intertrip Contracted Unit"

- (i) in the case of a **Power Park Module**, the collection of **Non-Synchronous Generating Units** which are registered as a **Power Park Module** under the **Grid Code**; and

- (ii) all other cases, a **Generating Unit**,

unless, in either case, the **Bilateral Agreement** specifies otherwise.

"Intertrip Payment"

as defined in Paragraph 4.2A.4(c):

"Isolation"

as defined in the **Grid Code**;

"Joint System Incident"

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

- (a) for **Users** in respect of their **Connection Sites** which were not **Commissioned** as at the **Transfer Date**, shall have the meaning given to that term in the **Grid Code**;
- (b) for **Users** acting in their capacity as **Generators** with **Embedded Large Power Stations** or **Embedded Medium Power Stations** and who are passing power onto a **Distribution System** through a connection with a **Distribution System** which was not **Commissioned**

	as at the Transfer Date , means an event wherever occurring (other than on an Embedded Medium Power Station or Embedded Small Power Station) which, in the opinion of The Company or a User has or may have a serious and/or widespread effect, being (in the case of an event on a User(s) System(s)) (other than on an Embedded Medium Power Station or Embedded Small Power Station), on the National Electricity Transmission System , and (in the case of an event on the National Electricity Transmission System), on a User(s) System(s) (other than on an Embedded Independent Generating Plant);
"Joint Temporary TEC Exchange Users"	means the Temporary TEC Exchange Donor User and the Temporary TEC Exchange Recipient User .
"Lagging"	in relation to Reactive Power , exporting Mvar;
"Land Charge"	the charge (if any) set out in Appendix B to a Bilateral Connection Agreement .
"Large Power Station"	as defined in the Grid Code ; <i>[Note: This has been re-ordered, rather than amended]</i>
"LDTEC"	Is, in the case of an accepted LDTEC Block Offer , Block LDTEC or, in the case of an accepted LDTEC Indicative Block Offer , Indicative Block LDTEC .
"LDTEC Availability Notification"	the form set out in Exhibit T to the CUSC .
"LDTEC Block Offer"	is an offer made by NGC for Short Term Capacity in accordance with the terms of Paragraphs 6.32.4.6 and 6.32.6.1 in response to an LDTEC Request .
"LDTEC Charge"	being a component of the Use of System Charges which is made or levied by NGC and to be paid by the User , in the case of an accepted LDTEC Block Offer , for Block LDTEC and in the case of an accepted LDTEC Indicative Block Offer for Requested LDTEC and in the case of an accepted Temporary TEC Exchange Rate Offer for Temporary Received TEC , in each case calculated in accordance with the Charging Statements .
"LDTEC Indicative Block Offer"	is an offer made by NGC for Short Term Capacity in accordance with the terms of Paragraphs 6.32.6.4 and 6.32.6.2 in response

to an **LDTEC Request**.

"LDTEC Indicative Profile"	is a profile in MW that indicates NGC's assessment of the MW capacity that may be available to a User for the LDTEC Period which has been prepared solely for the purpose of enabling a User to make its assessment of an LDTEC Indicative Block Offer .
"LDTEC Offer"	is an LDTEC Block Offer and/or an LDTEC Indicative Offer .
"LDTEC Period"	is, (a) a period of weeks or part thereof within a Financial Year as specified by the User in its LDTEC Request Form for a minimum period of seven weeks commencing on a Monday at 0.00 hours and finishing at 23.59 on any given day no later than the last day of such Financial Year , or (b) in the case of a n accepted Temporary TEC Exchange Offer , the Temporary TEC Exchange Period .
"LDTEC Profile"	is a profile in MW of NGC's assessment of the MW capacity that is available to a User for the LDTEC Period (not exceeding the maximum level in the LDTEC Request) in an LDTEC Block Offer .
"LDTEC Request"	is an application made by a user for an LDTEC Block Offer and/or an LDTEC Indicative Block Offer made using an LDTEC Request Form .
"LDTEC Request Fee"	the fee to be paid by the User to NGC for an LDTEC Request as detailed in the Charging Statements .
"LDTEC Request Form"	is the form set out in Exhibit S to the CUSC .
"LDTEC Week"	is a week or part thereof within an LDTEC Period commencing on Monday at 0.00 and

finishing on 23:59 on the last day within such week.

"Large Power Station"	as defined in the Grid Code;
"Leading"	in relation to Reactive Power , importing Mvar;
"Legal Challenge"	an appeal to the Competition Commission or a judicial review in respect of the Authority's decision to approve or not to approve an Amendment CUSC Modification Proposal ;
"Less than 100MW"	Is defined as having the capability to export 100MW to the Total System ;
"Letter of Credit"	(a) in respect of Paragraph 2.22 shall mean an irrevocable standby letter of credit in a form reasonably satisfactory to The Company but in any case expressed to be governed by the Uniform Customs and Practice for Documentary Credits 1993 Revision ICC Publication No. 500 or such other form as may be reasonably satisfactory to The Company and allowing for partial drawings and providing for the payment to The Company on demand forthwith on and against The Company's delivery to the issuer thereof of a Notice of Drawing of the amount demanded therein; (b) in all other cases shall mean 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 Corporation or by Moody's Investors Services, or such other bank as The Company may approve and which shall be available for payment at a branch of the issuing bank;
"Licence"	any licence granted pursuant to Section 6 of the Act ;
"Licence Standards"	the standards to be met by The Company under Standard Condition C17 of the Transmission Licence ;

“Licensable Generation”	generating plant that is not Exemptible Generation;
"Liquidated Damages"	in relation to a particular User , as defined in its Construction Agreement ;
"Local Safety Instructions"	as defined in the Grid Code ;
"MCUSA"	the Master Connection and Use of System Agreement dated 30 March 1990 (now amended to become the CUSC Framework Agreement);
"Main Business"	any business of The Company or any of its subsidiaries as at the Transfer Date or which it is required to carry on under the Transmission Licence , other than the Generation Business ;
"Main Business Person"	any employee of The Company or any director or employee of its subsidiaries who is engaged solely in the Main Business and " Main Business Personnel " shall be construed accordingly;
"Maintenance Reconciliation Statement"	the statement prepared in accordance with Paragraph 2.14.5 and Paragraph 9.9.5;
"Mandatory Ancillary Services"	Part 1 System Ancillary Services ;
"Mandatory Services Agreement"	an agreement between The Company and a User to govern the provision of and payment for Mandatory Ancillary Services or to govern the payment by The Company to a User for Obligatory Reactive Power Service provided by an Offshore Transmission Licensee in accordance with the STC ;
"Market Agreement"	as defined in Paragraph 3.1 of Schedule 3, Part I;
"Market Day"	as defined in Paragraph 3.3 of Schedule 3, Part I;
"Material Effect"	an effect causing The Company or a Relevant Transmission Licensee to effect any works or to alter the manner of operation of Transmission Plant and/or Transmission Apparatus at the Connection Site or the site of connection or a User to effect any works or to alter the manner of operation of its Plant and/or Apparatus at the Connection Site or the site of connection which in either case involves that party in expenditure of more than £10,000;

“Materially Affected Party”	any person or class of persons designated by the Authority as such, in relation to the Charging Methodologies
“Maximum Export Capacity”	as defined in the Grid Code and in relation to a particular User , as defined in its Bilateral Connection Agreement ;
“Maximum Export Limit”	as defined in the Grid Code ;
“Maximum Generation”	means a Balancing Service provided from the Available BM Units by generating at a level above the MEL so as to increase the total export of Active Power from the Power Station to the National Electricity Transmission System , contributing towards The Company’s requirement for additional short-term generation output, all as more particularly described in Paragraph 4.2;
“Maximum Generation BM Unit”	means, as between The Company and a User, the BM Units, specified in the Maximum Generation Service Agreement;
“Maximum Generation Energy Fee”	the amount (£/MWh) set out in the Maximum Generation Service Agreement as the same may be revised from time to time in accordance with Paragraph 4.2.5;
“Maximum Generation Energy Payment”	has the meaning attributed to it in Paragraph 4.2.5.1;
“Maximum Generation Instruction”	has the meaning attributed to it in Paragraph 4.2.4.1;
“Maximum Generation Redeclaration”	has the meaning attributed to it in Paragraph 4.2.3.3;
“Maximum Generation Service Agreement”	an agreement between The Company and a User specifying, amongst other things, the BM Units and the Maximum Generation Energy Fee applicable to the provision of Maximum Generation;
“Maximum Import Capacity”	as defined in the Grid Code and in relation to a particular User , as defined in its Bilateral Connection Agreement ;
“Medium Power Station”	as defined in the Grid Code ;
“Meters”	as defined in the Balancing and Settlement Code

"Metering Equipment"	as defined in the Balancing and Settlement Code ;
"Meter Operator Agent"	as defined in the Balancing and Settlement Code ;
"Metering System"	as defined in the Balancing and Settlement Code ;
"Methodology"	the Statement of the Use of System Charging Methodology or the Statement of the Connection Charging Methodology (and " Methodologies " shall be construed accordingly);
"Mode A Frequency Response"	as defined in Paragraph 4.1.3.3;
"Modification"	any actual or proposed replacement, renovation, modification, alteration, or construction by or on behalf of a User or The Company to either the User's Plant or Apparatus or the manner of its operation or Transmission Plant or Transmission Apparatus or the manner of its operation which in either case has or may have a Material Effect on another CUSC Party at a particular Connection Site ;
"Modification Affected User"	as defined in Paragraph 6.9.3.2;
"Modification Application"	an application in the form or substantially in the form set out in Exhibit I to the CUSC ;
"Modification Notification"	a notification in the form or substantially in the form set out in Exhibit K to the CUSC ;
"Modification Offer"	an offer in the form or substantially in the form set out in Exhibit J to the CUSC , including any revision or extension of such offer;
"National Consumer Council"	the body of that name established by Part I, section 1 of the Consumers, Estate Agents and Redress Act 2007'.
"National Electricity Transmission System"	the system consisting (wholly or mainly) of high voltage electric wires owned or operated by transmission licensees within Great Britain and Offshore and used for the transmission of electricity from one Power Station to a sub-station or to another Power Station or between sub-stations or to or from any External Interconnection and includes any Plant and Apparatus or meters owned or operated by any transmission licensee within Great Britain and

"National Electricity Transmission System SQSS" or "NETS SQSS"	Offshore in connection with the transmission of electricity but shall not include Remote Transmission Assets ;
"Natural Demand"	is the National Electricity Transmission System Security and Quality of Supply Standards (version 1) issued under Standard Condition C17 of the Transmission Licence (as amended, varied or replaced from time to time);
"Net Asset Value"	the Demand (Active Power) which is necessary to meet the needs of Customers excluding that Demand (Active Power) met by Embedded Generating Units whose generation is not traded by Trading Parties through Energy Metering Systems registered under the Balancing and Settlement Code ;
"New Connection Site"	the Gross Asset Value of the Transmission Connection Asset in question less depreciation over the Replacement Period calculated in accordance with recognised accounting principles and procedures;
"New CUSC Party"	a proposed Connection Site in relation to which there is no Bilateral Agreement in force between the CUSC Parties ;
"Net Demand"	as defined in Paragraph 6.13;
"NGC Prescribed Level"	Sum of the BM Unit Metered Volumes (QM_{ij}) of the Trading Unit during the three Settlement Periods of the Triad expressed as a positive number (i.e. $\sum QM_{ij}$.)
"NHH Base Percentage"	the forecast value of the regulatory asset value of NGC for a Financial Year as set out in the document published from time to time by Ofgem setting this out and currently know as "Ofgem's Transmission Price Control Review of NGC – Transmission Owner Final Proposals" such values to be published on the NGC Website by reference to the NGC credit arrangements no later than 31 January prior to the beginning of the Financial Year to which such value relates;
"NHH Charges"	the % value for the relevant Security Period as specified in the table in paragraph 2 of Appendix 2.
"NHH Charges"	that element of Transmission Network Use of System Demand Charges relating to non-half-hourly metered Demand .

"NHH Base Value at Risk"	the sum as calculated in accordance with Paragraph 3.22.4.
"NHH Forecasting Performance Related VAR "	the amount resulting from multiplying the Deemed NHH Forecasting Performance and the Indicative Annual HH TNUoS Charge calculated on the basis of the latest Demand Forecast received by The Company .
"Nominated Registered Capacity"	as defined in Appendix 5 of Schedule 3, Part I;
"Non- Performing Party"	as defined in Paragraph 6.19;
"Non-Embedded Customer"	a Customer except for a Public Distribution System Operator receiving electricity direct from the National Electricity Transmission System irrespective of from whom it is supplied;
"Non-Embedded User"	A User , except for a Public Distribution System Operator , receiving electricity direct from the National Electricity Transmission System irrespective of from whom it is supplied;
"Non Standard Boundary"	where the division of ownership of Plant and Apparatus is contrary to the principles of ownership set out in CUSC Paragraph 2.12;
"Non-Synchronous Generating Unit"	as defined in the Grid Code .
"Notice of Drawing"	a notice of drawing signed by or on behalf of The Company substantially in the form set out in Exhibit N to the CUSC ;
"Notification Date"	as defined in the Balancing and Settlement Code ;
"Notification of Circuit Outage"	as defined in the relevant Bilateral Connection Agreement or Bilateral Embedded Generation Agreement ;
"Notification of Circuit Restriction"	as defined in the relevant Bilateral Connection Agreement or Bilateral Embedded Generation Agreement ;
"Notification of Restrictions on Availability"	as defined in the relevant Bilateral Connection Agreement or Bilateral Embedded Generation Agreement ;
"Notification of ET Restrictions on Availability"	as defined in the relevant Bilateral Connection Agreement ;
"Notional Amount"	as defined in Paragraph 3.13;
"Nuclear Generator"	as defined in Paragraph 6.11;
"Nuclear Site Licence Provisions"	shall mean each of the following agreements

"Agreement"	(as from time to time amended) (a) the agreement between The Company and Magnox Electric plc (formally called Nuclear Electric plc) dated 30 March 1990, (b) the agreement between The Company and British Energy Generation Limited dated 31 March 1996, (c) the agreement between SP Transmission Limited and British Energy Generation (UK) Limited dated 29 May 1991 in relation to Hunterston power station and Torness power station, and (d) the agreement between SP Transmission Limited and British Nuclear Fuels plc in relation to Chapelcross power station.
"Obligatory Reactive Power Service"	as defined in Paragraph 1.1 of Schedule 3, Part I or provided by an Offshore Transmission Licensee in accordance with the STC ;
"Offer"	an offer for connection to and/or use of the National Electricity Transmission System made by The Company in relation to the CUSC ;
"Offshore"	means wholly or partly in the Offshore Waters and when used in conjunction with another defined term and the terms together are not otherwise defined means that the associated term is to be read accordingly;
"Offshore Construction Works"	In relation to a particular User means those elements of the Construction Works to be undertaken by an Offshore Transmission Licensee on the Offshore Transmission System as defined in its Construction Agreement ;
"Offshore Grid Entry Point"	as defined in the Grid Code ;
"Offshore Platform"	a single structure comprising of Plant and Apparatus located Offshore which includes one or more Offshore Grid Entry Points ;
"Offshore Standard Design"	is a connection design (which provides for connection to the National Electricity Transmission System) of a Connection Site located Offshore which satisfies the minimum deterministic criteria detailed in paragraphs 7.7 to 7.19 of the NETS SQSS but does not satisfy the deterministic criteria detailed in paragraphs 2.5 to 2.13 of the NETS SQSS ;
"Offshore Tender Process"	that process followed by the Authority to make, in prescribed cases, a determination on a competitive basis of the person to whom an

	offshore transmission licence is to be granted;
"Offshore Tender Regulations"	those regulations made by the Authority in accordance with section 6C of the Act to facilitate the determination on a competitive basis of the person to whom an offshore transmission licence is to be granted;
"Offshore Transmission"	means as defined in the Energy Act 2004;
"Offshore Transmission Implementation Plan"	as defined in the Transmission Licence ;
"Offshore Transmission Licensee"	means such person in relation to whose Licence the standard conditions in Section E (offshore transmission owner standard conditions) of such Licence have been given effect or any person in that prospective role;
"Offshore Transmission Owner"	means either (a) such person in relation to whose Licence the standard conditions in Section E (offshore transmission owner standard conditions) of such Licence have been given effect; or (b) a party who has acceded to the STC prior to the grant of a Licence referred to in (a) above as a requirement of the Offshore Tender Regulations ;
"Offshore Transmission System"	a part of the National Electricity Transmission System used for the purposes of Offshore Transmission and for which there is an Offshore Transmission Licensee ;
"Offshore Waters"	has the meaning given to "offshore waters" in Section 90(9) of the Energy Act 2004;
"Offtaking"	as defined in the Balancing and Settlement Code ;
"One Off Charge"	the costs, including profits and overheads of carrying out the One Off Works , together with the Net Asset Value of any asset made redundant as a result of the Construction Works an estimate of which is specified in Appendix B1 to the relevant Construction Agreement and/or Bilateral Agreement ;
"One Off Works"	the works described in Appendix B1 to the relevant Construction Agreement and/or Bilateral Agreement ;
"Onshore"	means within Great Britain and when used in conjunction with another defined term and the terms together are not otherwise defined means

that the associated term is to be read accordingly;

“Onshore Construction Works”

in relation to a particular **User**, means those elements of the **Construction Works** to be undertaken other than on the **Offshore Transmission System** as defined in its **Construction Agreement**;

"Operating Agreement(s)"

the operating agreements or arrangements identified in the **Bilateral Connection Agreement** between **The Company** and the **Interconnector Owner** of the relevant **Interconnector** and made between either **The Company** and the relevant **Interconnector Owner** and/or **The Company** and the relevant **Interconnected System Operator**;

"Operating Code" or "OC"

the portion of the **Grid Code** which is identified as the **Operating Code**;

"Operation Diagrams"

as defined in the **Grid Code**;

"Operational"

in relation to a **Connection Site** means that the same has been **Commissioned** (which for the avoidance of doubt does not necessarily include commissioning of **Generating Units** connected at the **Connection Site**) and that the **User** can use such **User's Equipment** to undertake those acts and things capable of being undertaken by **BSC Parties**;

"Operational Date"

the date on which **The Company** issues the **Operational Notification**;

"Operational Effect"

any effect on the operation of any **System** which causes that **System** to operate (or be at a materially increased risk of operating) differently to the way in which it would have normally operated in the absence of that effect;

"Operational Intertripping"

the automatic tripping of circuit breakers to prevent abnormal system conditions occurring, such as over voltage, overload, system instability etc. after the tripping of other circuit breakers following power system fault(s) which includes **System to Power Station** and **System to Demand** intertripping schemes;

"Operational Metering Equipment"

meters, instrument transformers (both voltage and current), transducers, metering protection equipment including alarms circuitry and their associated outstations as may be necessary for the purpose of **CC.6.5.6** of the **Grid Code** and

	the corresponding provision of the relevant Distribution Code ;
"Operational Notification"	the notice of that name given to the User by The Company under Paragraphs 1.5.5 or 3.2.6 as appropriate;
"Original Party"	as defined in the CUSC Framework Agreement ;
"Other Dispute"	as defined in Paragraph 7.2.3;
"Other Party"	as defined in Paragraph 7.5.1;
"Other User"	as defined in Paragraph 6.10.3;
"Ownership boundary"	shall be the boundary defined in Paragraph 2.12;
"Output"	the actual Active Power or Reactive Power output achieved by a BM Unit ;
"Output Useable"	Shall have the meaning given to that term in the Grid Code ;
"Panel Chairman"	a person appointed as such in accordance with Paragraph 8.34.1;
"Panel Member"	any of the persons listed in Paragraph 8.23.1-2(b);
"Panel Member Interim Vacancies"	as defined in Paragraph 8A.4.3.3;
"Panel Secretary"	a person appointed as such in accordance with Paragraph 8.23.1-3(c);
"Part 1 System Ancillary Services"	as defined in Grid Code CC 8.1;
"Part 2 System Ancillary Services"	as defined in Grid Code CC 8.1;
"Partial Shutdown "	as defined in the Grid Code ;
"Party Liable"	as defined in Paragraph 6.12.1;
"Payment Date"	as defined in the Balancing and Settlement Code ;
"Payment Record Sum"	the proportion of the Unsecured Credit Cover extended by NGC to a User who does meeting the Approved Credit Rating calculated in accordance with Paragraph 3.26.4 and 3.26.5;
"Pending Amendment <u>CUSC</u> "	an Amendment <u>CUSC Modification</u> Proposal in respect of which, at the relevant time, the

<u>Modification</u> Proposal"	Authority has not yet made a decision as to whether to direct such Proposed Amendment CUSC Modification to be made pursuant to the Transmission Licence (whether or not an Amendment CUSC Modification Report or Housekeeping Amendment Report has been submitted in respect of such Amendment CUSC Modification Proposal);
"Performance Bond"	an on first demand without proof or conditions irrevocable performance bond or performance guarantee executed as a deed in a form reasonably satisfactory to The Company but in any case allowing for partial drawings and providing for the payment to The Company on demand forthwith on and against The Company's delivery to the issuer thereof of a Notice of Drawing of the amount demanded therein;
"Permitted Activities"	activities carried on for the purposes of the Main Business ;
"Physical Notification"	as defined in the Balancing and Settlement Code ;
"Planned Outage"	as defined in the Grid Code ;
"Planning Code" or PC	that portion of the Grid Code which is identified as the Planning Code ;
"Plant"	fixed and moveable items used in the generation and/or supply and/or transmission of electricity other than Apparatus
"Pool Member"	as defined in the Balancing and Settlement Code ;
"Pooling and Settlement Agreement"	as defined in the Balancing and Settlement Code ;
"Power Park Module"	as defined in the Grid Code .
"Power Park Unit"	as defined in the Grid Code ;
"Power Station"	as defined in the Grid Code ;
"Practical Completion Date"	in relation to a particular User , as defined in its Construction Agreement
"Preference Votes"	as defined in Paragraph 8A.3.2.1;
"Prescribed Rate"	the rate of interest set for the relevant period as

	the statutory interest rate for the purposes of the Late Payment of Commercial Debts (interest) Act 1998;
"Proceedings"	as defined in Paragraph 6.23.1;
"Production"	as defined in the Balancing and Settlement Code in relation to a Production BM Unit;
"Progress Report"	as defined in Paragraph 8.1314;
"Primary Response"	as defined in the Grid Code ;
"Proposed Amendment"	an amendment to the CUSC which has been proposed by way of Amendment Proposal but which has not been made;
"Proposed Implementation Date"	the implementation date proposed by The Company <u>the Code Administrator</u> in its Amendment <u>CUSC Modification Report</u> ;
"Proposer"	in relation to a particular Amendment <u>CUSC Modification Proposal</u> , the person who makes such Amendment <u>CUSC Modification Proposal</u> ;
"Protected Information"	any information relating to the affairs of a CUSC Party which is furnished to Business Personnel pursuant to the CUSC or a Bilateral Agreement or a Mandatory Services Agreement or a Construction Agreement or pursuant to a direction under section 34 of the Act or pursuant to the provisions of the Fuel Security Code unless, prior to such information being furnished, such CUSC Party has informed the recipient thereof by notice in writing or by endorsement on such information, that the said information is not to be regarded as Protected Information ;
"Provisional Statement"	as defined in Paragraph 4.3.2.1(a);
"Provisional Monthly Statement"	as defined in Paragraph 4.3.2.1;
"Provisional Adjustments Statement"	as defined in Paragraph 4.3.2.1(b);
"Public Distribution System Operator"	a holder of a Distribution Licence who was the holder, or is a successor to a company which was the holder of a Public Electricity Supply Licence relating to distribution activities in Great Britain on the CUSC Implementation Date
"Public Electricity Supply Licence"	a licence issued under section 6(1)(c) of the Act

prior to the coming in force of section 30 of the Utilities Act 2000;

"Qualified Bank" or "Qualifying Bank"

a City of London branch of a bank, its successors and assigns, which has throughout the validity period of the **Performance Bond** or **Letter of Credit** it issues in favour of **The Company**, a rating of at least A- in Standard and Poor's long term debt rating or A3 in Moody's long term debt rating provided that such bank is not during such validity period put on any credit watch or any similar credit surveillance which gives **The Company** reasonable cause to doubt that such bank may not be able to maintain the aforesaid rating throughout the validity period and no other event has occurred which gives **The Company** reasonable cause to have such doubt;

**"Qualified Company" or
"Qualifying Company"**

a company which is a public company or a private company within the meaning of section 1(3) of the Companies Act 1985 and which is either :

(a) a shareholder of the User or any holding company of such shareholder-or

(b) any subsidiary of any such holding company, but only where the subsidiary

(i) demonstrates to The Company's satisfaction that it has power under its constitution to give a Performance Bond other than in respect of its subsidiary;

(ii) provides an extract of the minutes of a meeting of its directors recording that the directors have duly concluded that the giving of the Performance Bond is likely to promote the success of that subsidiary for the benefit of its members;

(iii) provides certified copies of the authorisation by every holding company of the subsidiary up to and including the holding company of the User, of the giving of the Performance Bond,

(the expressions "holding company" and "subsidiary" having the respective meanings assigned thereto by section 736, Companies Act 1985 as supplemented by section 144(3), Companies Act 1989) and which has throughout the validity period of the Performance Bond it

gives in favour of The Company, a rating of at least A- in Standard and Poor's long term debt rating or A3 in Moody's long term debt rating or such lesser rating which The Company may in its absolute discretion allow by prior written notice given pursuant to a resolution of its board of directors for such period and on such terms as such resolution may specify provided that such company is not during such validity period put on any credit watch or any similar credit surveillance procedure which gives The Company reasonable cause to doubt that such company may not be able to maintain the aforesaid rating throughout the validity period of the Performance Bond and no other event has occurred which gives The Company reasonable cause to have such doubt;

"Qualifying Guarantee"

a guarantee in favour of **The Company** in a form proposed by the **User** and agreed by **The Company** (whose agreement shall not be unreasonably withheld or delayed) and which is provided by an entity which holds an **Approved Credit Rating** provided that such guarantee cannot secure a sum greater than the level of **User's Allowed Credit** that would be available to that entity in accordance with Paragraph 3.26 if it was a User;

"Rated MW"

as defined in the **Grid Code**;

"Reactive Despatch Instruction"

an instruction relating to **Reactive Power** given by **The Company** to a **Generator** in accordance with **Grid Code BC2**;

"Reactive Despatch Network Restriction"

as defined in the **Grid Code**;

"Reactive Energy"

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

"Reactive Power"

the product of voltage and current and the sine of the phase angle between them measured in units of voltamperes reactive and standard multiples thereof i.e.:- 1000 Var = 1Kvar

$$1000 \text{ Kvar} = 1\text{Mvar};$$

"Reactive Test"

a test conducted pursuant to **Grid Code OC 5.5.1**;

"Reasonable Charges"

reasonable cost reflective charges comparable to charges for similar services obtainable in the open market;

"Reconciled Charge"	as defined in Paragraph 3.15.1 and like terms shall be construed accordingly;
"Reconciliation Settlement Run"	as defined in the Balancing and Settlement Code ;
"Reenergisation" or "Reenergised"	any Energisation after a Deenergisation ;
"Registered Capacity"	has the meaning given in the Grid Code ;
"Registered Data"	those items of Standard Planning Data and Detailed Planning Data which upon connection become fixed (subject to any subsequent changes);
"Registrant"	as defined in the Balancing and Settlement Code ;
"Regulations"	the Electricity Supply Regulations 1988 or any amendment or re-enactment thereof;
"Rejected AmendmentCUSC Modification Proposal"	an AmendmentCUSC Modification Proposal in respect of which the Authority has decided not to direct The Company to modify the Code pursuant to the Transmission Licence in the manner set out herein;
"Related Undertaking"	in relation to The Company (and for the purposes of Paragraph 6.15, a User) means any undertaking in which The Company has a participating interest as defined by section 260(1) of the Companies Act 1985 as substituted by section 22 of the Companies Act 1989;
"Release Date"	as defined in Paragraph 2.22.2;
"Relevant Embedded Medium Power Station"	an Embedded Medium Power Station which is an Exempt Power Station , and does not intend to be the subject of a Bilateral Agreement ;
"Relevant Embedded Small Power Station"	an Embedded Small Power Station that the User who owns or operates the Distribution System to which the Embedded Small Power Station intends to connect reasonably believes may have a significant system effect on the National Electricity Transmission System .
"Relevant Interruption"	an Interruption other than an Allowed Interruption ;
"Relevant Offshore Agreement"	as defined in the Transmission Licence ;
" Relevant Party "	as defined in Paragraph 8.16.10(a)
"Relevant Transmission Licensee"	means SP Transmission Limited in south of

Scotland, Scottish Hydro- Electric Transmission Limited in north of Scotland and in respect of each Offshore Transmission System the Offshore Transmission Licensee for that Offshore Transmission System;

"Remote Transmission Assets"

any **Plant** and **Apparatus** or meters owned by **The Company** which (a) are embedded in a **Distribution System** or a **User System** and which are not directly connected by **Plant** and/or **Apparatus** owned by **The Company** to a **sub-station** owned by **The Company** and (b) are by agreement between **The Company** and such **Public Distribution System Operator** or **User** under the direction and control of such **Public Distribution System Operator** or **User**;

"Replacement Period"

in relation to a **Transmission Connection Asset**, the period commencing on the date on which such **Transmission Connection Asset** is or was originally **Commissioned**, after which it is assumed for accounting purposes such **Transmission Connection Asset** will need to be replaced, which shall be 40 years except

- (a) in the case of **Transmission Connection Assets** located **Offshore** where it shall be 20 years, or
- (b) unless otherwise agreed between the **CUSC Parties** to a **Bilateral Agreement** and recorded in the relevant **Bilateral Agreement**;

"Reported Period(s) of Increase"

the period of time during which a **User's Demand** increased not being more than 20 **Business Days**, as notified to **The Company** under paragraph 3.22.7 or paragraph 3.22.8.

"Request for a Statement of Works"

a request in the form or substantially in the form set out in Exhibit S to the **CUSC**.

"Request for a STTEC Authorisation"

a request made by a **User** in accordance with the terms Paragraph 6.31 for **Short Term Capacity** for a **STTEC** Period.

"Requested LDTEC"

the figure in MW for the **LDTEC Period** (not exceeding the maximum level in the **LDTEC Request**) specified in the **User's** acceptance of the **LDTEC Indicative Block Offer** in accordance with paragraph 6.32.6.5.

"Required Amount"

as defined in Paragraph 2.21.2(c);

"Required Sovereign Credit Rating"

a long term debt rating of not less than A by Standard and Poor's Corporation or a rating not less than A2 by Moody's Investor Services or a

short term rating which correlates to those long term ratings or an equivalent rating from any other reputable credit agency approved by **The Company** in respect of non local currency obligations;

"Required Standard"

in relation to an item of **Derogated Plant**, the respective standard required of that item (which shall not exceed that required by the **Grid Code** or the **Licence Standards**, as the case may be) as specified in or pursuant to the relevant **Derogation**;

"Requirements"

shall mean an entity who throughout the validity period of the **Bilateral Insurance Policy, Insurance Performance Bond or Independent Security Arrangement**:

- (a) holds a rating of at least A- in Standard and Poor's long term debt rating or A3 in Moody's long term debt rating provided that such entity is not during such validity period put on any credit watch or any similar credit surveillance which gives **The Company** reasonable cause to doubt that such entity may not be able to retain the aforesaid rating throughout the validity period; and
- (b) the country of residence of such entity meets the **Required Sovereign Credit Rating**; and
- (c) the security provided is **Enforceable**; and
- (d) there are no material conditions preventing the exercise by **The Company** of its rights under the **Bilateral Insurance Policy, Insurance Performance Bond or Independent Security Arrangement**.

"Resigning Alternate Member"

As defined in Paragraph 8A.4.1.3

"Resigning Panel Member"

as defined in Paragraph 8A.4.1.

"Response"

Primary Response, Secondary Response and **High Frequency Response** or any of them as the case may be;

"Response Energy Payment"

that component of the payment for Mode A **Frequency Response** calculated in accordance with Paragraph 4.1.3.9A;

"Restricted Export Level Payment"

in respect of each **Restricted Export Level Period**, the payment for each day comprised

within the **Restricted Export Level Period** or (where the **Restricted Export Level Period** starts or ends during a day) part of a day calculated as follows:

The higher of:

A. the £ per MW calculated by reference to the total TNUoS income derived from generators divided by the total system **Transmission Entry Capacity**, in each case using figures for the **Financial Year** prior to that in which the **System to Generator Operational Intertripping Scheme** trips, this is then divided by 365 to give a daily £ per MW rate; or

B. the actual £ per MW of the **User** (who requests in accordance with Clause 4.2A.4) by reference to the tariff in the **Use of System Charging Statement** for the **Financial Year** in which the **System to Generator Operational Intertripping Scheme** trips divided by 365 to give a daily £ per MW rate.

A or B are then multiplied by:

the MW arrived at after deducting from the **Transmission Entry Capacity** for the **Connection Site** the **Restricted MW Export Level**;

"**Restricted Export Level Period**"

as defined in Paragraph 4.2A.4(b)(ii);

"**Restricted MW Export Level**"

as defined in Paragraph 4.2A.2.1(c)(i);

"Restrictions on Availability"

is, in the context of a **Design Variation** or an **Offshore Connection**, the outage or reduction in capability as set out in the relevant **Notification of Restrictions on Availability**;

"Retail Price Index"

the general index of retail prices published by the Office for National Statistics each month in respect of all items or:

- (a) if the said index for any month in any year shall not have been published on or before the last day of the third month after such month such index for such month or months as the parties hereto agree produces as nearly as possible the same result shall be substituted or in default of the parties reaching agreement within six

weeks after the last day of such three month period then as determined by a sole Chartered Accountant appointed by agreement by both parties or in the absence of agreement on the application of either party by the President of the **Electricity Arbitration Association** who shall act as an expert and whose decision shall be final and binding on the parties; or

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

"Revised Indicative Annual HH TNUoS charge"

the value calculated in accordance with Appendix 2 paragraph 5.

"Revised Indicative Annual NHH TNUoS charge"

the value calculated in accordance with Appendix 2 paragraph 8.

"Safety Coordinator(s)"

a person or persons nominated by **The Company** and each **User** in relation to **Connection Points** (as defined in the **Grid Code**) in England and Wales or nominated by the **Relevant Transmission Licensee** and each **User** in relation to **Connection Points** in Scotland or **Offshore** to be responsible for the co-ordination of **Safety Precautions** (as defined in the **Grid Code**) at each **Connection Point** when work and/or testing is to be carried out on a system which necessitates the provision of Safety Precautions on HV **Apparatus**, pursuant to OC8;

"Safety Rules"

the rules of **The Company**, a **Relevant Transmission Licensee** or a **User** that seek to ensure that persons working on **Plant** and/or **Apparatus** to which the rules apply are safeguarded from hazards arising from the **System**;

"SCR Report"	a report prepared pursuant to Paragraph 8.17
"Second Offer"	as defined in Paragraph 6.10.4;
"Secondary Response"	as defined in the Grid Code ;
"Secretary of State"	has the meaning given to that term in the Act ;
"Secured Amount Statement"	a statement accompanying the Bi-annual Estimate setting out the amount to be secured by the User under Paragraph 2.21 based on figures contained in the Bi-annual Estimate being the amount for which security shall be provided to The Company pursuant to that Paragraph such statement to be substantially in the form set out in Exhibit M to the CUSC ;
<u>"Secured Event"</u>	<u>as defined in the Grid Code:</u>
"Security Amendment"	the Proposed Amendment in respect of Amendment Proposal 089\090\091 ;
"Security Amendment Implementation Date"	the Implementation Date of the Security Amendment ;
"Security Amount"	in respect of the User the aggregate of available amounts of each outstanding (a) Letter of Credit , (b) Qualifying Guarantee and (c) the principal amount (if any) of cash that the User has paid to the credit of the Escrow Account (and which has not been repaid to the User); for the purpose of this definition, in relation to a Letter of Credit or Qualifying Guarantee "available amount" means the face amount thereof less (i) payments already made thereunder and (ii) claims made thereunder but not yet paid;
"Security Cover"	for each User , the User's Security Requirement less the User's Allowed Credit ;
"Security Period"	the period from 1 April to 30 June (inclusive), 1 July to 30 September (inclusive), 1 October to 31 December (inclusive), or 1 January to 31 March (inclusive) as appropriate.
<u>"Security and Quality of Supply Standard"</u>	<u>as defined in the Grid Code:</u>
"Security Requirement"	the aggregate amount for the time being which the User shall be required by NGC to provide and maintain by way of Security Cover and its User's Allowed Credit in accordance with

Paragraph 3.22;

“Security Standard”

the **Security and Quality of Supply Standard**;

“Self-Governance Criteria”

a **CUSC Modification Proposal** that, if implemented,

(a) is unlikely to have a material effect on:

(i) existing or future electricity consumers; and

(ii) competition in the generation, distribution, or supply of electricity or any commercial activities connected with the generation, distribution or supply of electricity; and

(iii) the operation of the **National Electricity Transmission System**; and

(iv) matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies; and

(v) the **CUSC**'s governance procedures or the **CUSC**'s modification procedures, and

(b) is unlikely to discriminate between different classes of **CUSC Parties**.

“Self-Governance Statement”

the statement made by the **CUSC Modifications Panel** and submitted to the **Authority**:

(a) confirming that, in its opinion, the **Self-Governance Criteria** are met and the **CUSC Modification Proposal** is suitable for the self-governance route; and

(b) providing a detailed explanation of the **CUSC Modification Panel**'s reasons for that opinion.

“Separate Business”

the **Transmission Business** taken separately from any other business of **The Company**, but so that where all or any part of such business is carried out by an **Affiliate** or **Related Undertaking** of **The Company** such part of the business as is carried out by that **Affiliate** or **Related Undertaking** shall be consolidated with any other such business of **The Company** (and of any other **Affiliate** or **Related Undertaking**)

"Settlement Administration Agent (SAA)"	so as to form a single Separate Business ;
"Settlement Day"	as defined in the Balancing and Settlement Code ;
"Settlement Period"	as defined in the Balancing and Settlement Code ;
"Settlement Run"	as defined in the Balancing and Settlement Code ;
"Short Term Capacity"	the right to export on to the National Electricity Transmission System power in accordance with the provisions of CUSC .
"Significant Code Review"	<p>a review of one or more matters which the Authority considers is likely to:</p> <p>(a) relate to the CUSC (either on its own or in conjunction with other industry codes); and</p> <p>(b) be of particular significance in relation to its principal objective and/or general duties (under section 3A of the Act), statutory functions and/or relevant obligations arising under EU law, and concerning which the Authority has issued a notice to the CUSC Parties (among others, as appropriate) stating:</p> <p>(i) that the review will constitute a significant code review;</p> <p>(ii) the start date of the significant code review; and</p> <p>(iii) the matters that will fall within the scope of the review.</p>
"Significant Code Review Phase"	<p>the period commencing on the start date of a Significant Code Review as stated by the Authority, and ending either:</p> <p>(a) on the date on which the Authority issues a statement that no directions will be issued in relation to the CUSC; or</p> <p>(b) if no statement is made under (a), on the date on which The Company has made a CUSC Modification Proposal in accordance with Section 8 Paragraph 8.17.18; or</p> <p>(c) immediately, if neither a statement nor directions are issued by the Authority up to and including twenty eight (28) days from the Authority's publication of its Significant Code</p>

	Review conclusions.
"Site Common Drawings"	as defined in the Grid Code ;
"Site Load"	may comprise Station Load and Additional Load . The sum of the BM Unit Metered Volumes (QM_{ij}) , expressed as a positive number, of BM Units within the Trading Unit with QM _i less than zero during the three Settlement Periods of the Triad (i.e. $\sum QM_{ij}$ where $QM_{ij} < 0$);
"Site Responsibility Schedule"	a schedule containing the information and prepared on the basis of the provisions set out in Appendix 1 of the CC ;
"Site Specific Maintenance Charge"	the element of the Connection Charges relating to maintenance and repair calculated in accordance with the Connection Charging Methodology ;
"Site Specific Requirements"	those requirements reasonably required by The Company in accordance with the Grid Code at the site of connection of a Relevant Embedded Medium Power Station or a Relevant Embedded Small Power Station .
"Small Independent Generating Plant"	a Medium Power Station ;
"Small Participant"	(a) a generator, supplier, distributor, or new entrants to the electricity market in Great Britain that can demonstrate to the Code Administrator that it is resource-constrained and, therefore in particular need of assistance; (b) any other participant or class of participant that the Code Administrator considers to be in particular need of assistance; and (c) a participant or class of participant that the Authority has notified to the Code Administrator as being in particular need of assistance.
"Small Power Station"	as defined in the Grid Code ;
"Small Power Station Trading Party"	a Trading Party trading on behalf of one or more Small Power Stations whether owned by the Trading Party or another person;
"SMRS"	as defined in the Balancing and Settlement Code ;
"Sole Trading Unit"	as defined in the Balancing and Settlement Code ;

“Standard CUSC Modification Proposal”

A CUSC Modification Proposal that is neither suitable for inclusion in a Significant Code Review nor meets the Self-Governance Criteria

"Statement of the Connection Charging Methodology"

the statement produced pursuant to and in accordance with Standard Condition C6 of the **Transmission Licence**, as modified from time to time;

"Statement of Use of System Charges"

the statement produced pursuant to and in accordance with Standard Condition C4 of the **Transmission Licence**, as modified from time to time;

"Statement of the Use of System Charging Methodology"

the statement produced pursuant to Standard Condition C5 of the **Transmission Licence**, as modified from time to time;

"Station Demand"

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

- (i) the same premises;
- (ii) immediately adjoining each other;
- (iii) separated from each other only by road, railway or watercourse or by other premises (other than a pipe-line, electric line or similar structure) occupied by the consumer in question or by any other person who together with that consumer forms a qualifying group; and for the purpose of this definition "generating station" and "qualifying group" shall have the meanings given those expressions when used in the Electricity (Class Exemptions from the Requirement for a Licence) Order 1990;

“Station Load”

the **Station Load** is equal to the sum of the demand of **BM Units** solely comprising the **Station Transformers** within the **Power Station**. For the avoidance of doubt, **Station Load** excludes **BM Units** comprising

Additional Load;

"Station Transformer"	has the meaning given in the Grid Code ;
"Steam Unit"	a Generating Unit whose prime mover converts the heat energy in steam to mechanical energy;
"STTEC"	the figure in MW (if any) for the STTEC Period granted by The Company in accordance with Paragraph 6.31 of the CUSC and specified as such in Appendix C of the relevant Bilateral Connection Agreement or Bilateral Embedded Generation Agreement .
"STTEC Authorisation"	the authorisation notified by The Company for Short Term Capacity in accordance with the terms of Paragraph 6.3.1.6.1 in response to a Request for a STTEC Authorisation .
"STTEC Charge"	being a component of the Use of System Charges which is made or levied by The Company and to be paid by the User for STTEC calculated in accordance with the Charging Statements .
"STTEC Offer"	an offer made by The Company for Short Term Capacity in accordance with the terms of Paragraphs 6.31.6.2 and 6.31.6.3 in response to an Application for a STTEC Offer .
"STTEC Period"	in the case of a STTEC Authorisation , a period of 28 days commencing on a Monday at 00.00 hours and finishing at 23.59 on a Sunday. In the case of a STTEC Offer , a period of either 28, 35, or 42 days (as specified by the User in its STTEC Request Form) commencing on a Monday at 0.00 hours and finishing at 23.59 on a Sunday.
"STTEC Request"	either a Request for a STTEC Authorisation or an Application for a STTEC Offer .
"STTEC Request Fee"	the non-refundable fee to be paid by the User to The Company as detailed in the Charging Statements .
"STTEC Request Form"	the form set out in Exhibit P to the CUSC .
"Subsidiary"	has the meaning given to that term in section 736A of the Companies Act 1985;
"Supplemental Agreement"	an agreement entered into pursuant to clause 2 of the MCUSA ;

"Supplier"	a person who holds a Supply Licence ;
"Supply Agreement"	an agreement between a Non-Embedded Customer and a Supplier for the supply of electricity to the Non-Embedded Customer's Connection Site ;
"Supplier Half Hourly Demand"	means BM Unit Metered Volumes (QM_{ij}) expressed as a positive number (i.e. $\sum QM_{ij}$) of the Trading Unit during the three Settlement Periods of the Triad due to half-hourly metered imports;
"Supply Licence"	a licence granted under section 6(1)(d) of the Act ;
"Supplier Non Half-Hourly Demand"	means BM Metered Volumes (QM_{ij}) expressed as a positive number (i.e. $\sum QM_{ij}$) of the Trading Unit over the charging year between Settlement Periods 33 to 38 due to Non-half-hourly metered imports;
"Supplier Volume Allocation"	as defined in the Balancing and Settlement Code ;
"Synchronous Compensation"	the operation of rotating synchronous apparatus for the specific purpose of either generation or absorption of Reactive Power ;
"Synchronised"	the condition where an incoming BM Unit or CCGT Unit or System is connected to the busbars of another System so that the Frequencies and phase relationships of that BM Unit or CCGT Unit or the System , as the case may be, and the System to which it is connected are identical;
"System Ancillary Services"	Mandatory Ancillary Services and Part 2 System Ancillary Services ;
"System"	any User System or the National Electricity Transmission System as the case may be;
<u>"System to Generator Operational Intertripping"</u>	<u>as defined in the Grid Code:</u>
<u>"System to Generator Operational Intertripping Scheme"</u>	<u>as defined in the Grid Code:</u>
"System Operator - Transmission Owner Code or STC"	the STC entered into by The Company pursuant to the Transmission Licence as from time to time revised in accordance with the Transmission Licence ;

"Target Frequency"	the Frequency determined by The Company in its reasonable opinion as the desired operating Frequency of the Total System . This will normally be 50.00 Hz plus or minus 0.05 Hz, except in exceptional circumstances as determined by The Company in its reasonable opinion. An example of exceptional circumstances may be difficulties caused in operating the System during disputes affecting fuel supplies;
"TEC Increase Request"	a request for an increase in Transmission Entry Capacity pursuant to CUSC paragraph 6.30.2.
"TEC Register"	the register set up by The Company pursuant to Paragraph 6.30.3.1.
"TEC Trade"	a trade between parties of their respective Transmission Entry Capacity .
"Tendered Capability Breakpoints"	as defined in Paragraph 1.4 of Appendix 5 of Schedule 3, Part I;
"Temporary Donated TEC"	is the temporary MW reduction in the export rights of the Temporary TEC Exchange Donor User arising from acceptance of a Temporary TEC Exchange Offer .
"Temporary Received TEC"	is at any time the Temporary TEC Exchange Rate .
"Temporary TEC Exchange Donor User"	is a User that has jointly made a Temporary TEC Exchange Rate Request to reduce its rights to export for the duration of the Temporary TEC Exchange Period .
"Temporary TEC Exchange Notification of Interest Form"	is the form set out in Exhibit X to the CUSC .
"Temporary TEC Exchange Offer"	is an offer made by The Company for a Temporary TEC Exchange Rate in accordance with the terms of Paragraphs 6.34.4.6.
"Temporary TEC Exchange Period"	is a period within a Financial Year as specified in the Temporary TEC Exchange Rate Request Form being for a minimum of four weeks and commencing at 0.00 hours on a Monday and finishing at 23.59 on any given day no later than the last day of such Financial Year .
"Temporary TEC Exchange Rate Request Fee"	is the single fee to be paid to The Company for a Temporary TEC Exchange Rate Request as detailed in the Charging Statements .

"Temporary TEC Exchange Rate Request Form"	is the form set out in Exhibit W to the CUSC .
"Temporary TEC Exchange Rate Request"	is a joint application made by a Temporary TEC Exchange Donor User and a Temporary TEC Exchange Recipient User for a Temporary TEC Exchange Rate Offer .
"Temporary TEC Exchange Rate"	is a weekly profile of the additional export rights in MW available to the Temporary TEC Exchange Recipient User as a direct result of the temporary reduction in export rights in MW of the Temporary TEC Exchange Donor User .
"Temporary TEC Exchange Recipient User"	is a User that has jointly made a Temporary TEC Exchange Rate Request to increase its rights to export for the duration of the Temporary TEC Exchange Period .
"Temporary TEC Trade Exchange"	a trade made pursuant to CUSC Paragraph 6.34
"Tenders"	as defined in Paragraph 3.3 of Schedule 3, Part I;
"Tenderers"	as defined in Paragraph 3.3 of Schedule 3, Part I;
"Tender Period"	as defined in Paragraph 3.3 of Schedule 3, Part I;
"Term"	without prejudice to the interpretation of Term in respect of Users acting in other capacities, for Users acting in respect of their Connection Sites which were not Commissioned at the Transfer Date , it means the term of the relevant Bilateral Connection Agreement commencing on the date of the Bilateral Connection Agreement and ending in accordance with Clause 9 of that agreement;
"Termination Amount"	in relation to a Connection Site , the amount calculated in accordance with the Charging Statements ;
"The Company"	National Grid Electricity Transmission plc (No: 2366977) whose registered office is at 1-3 Strand, London, WC2N 5EH;

"The Company Credit Rating"

any one of the following:-

(a) a credit rating for long term debt of A- and A3 respectively as set by Standard and Poor's or Moody's respectively;

(b) an indicative long term private credit rating of A- and A3 respectively as set by Standard and Poor's or Moody's as the basis of issuing senior unsecured debt;

(c) a short term rating by Standard and Poor's or Moody's which correlates to a long term rating of A- and A3 respectively; or

(d) where the **User's Licence** issued under the Electricity Act 1989 (as amended by the Utilities Act 2000) requires that User to maintain a credit rating, the credit rating defined in that **User's Licence**.

"The Company's Engineering Charges"

the charges levied by **The Company** in relation to an application for connection and/or use of the **National Electricity Transmission System**;

"Third Party Claim"

as defined in Paragraph 7.5.3;

"Third Party Works"

in relation to a particular **User** those works, defined as such in its **Construction Agreement**; being works undertaken on assets belonging to someone other than **The Company** or the **User** where such works are required by **The Company** to enable it to provide the connection to and/or use of the **National Electricity Transmission System** by the **User** or required as a consequence of connection to and/or use of the **National Electricity Transmission System** by the **User**; the **National Electricity Transmission System** and all **User Systems** in **Great Britain** and **Offshore**;

"Total System"

"Total System Chargeable HH"

the total of all half-hourly metered **Demands** for

Demand"	which HH Charges are paid, taken over a period of time which may or may not be that to which HH Charges relate.
"Total System Chargeable NHH Demand"	the total of all half-hourly metered Demands for which NHH Charges are paid, taken over a period of time which may or may not be that to which NHH Charges relate.
"Trading Party"	as defined in the Balancing and Settlement Code ;
"Trading Unit"	as defined in the Balancing and Settlement Code ;
"Transfer Date"	"24.00" hours on 30th March 1990;
"Transfer Scheme"	schemes made under sections 65 and 66 of the Act and effected on the Transfer Date ;
"Transmission"	means, when used in conjunction with another term relating to equipment, whether defined or not, that the associated term is to be read as being part of or directly associated with the National Electricity Transmission System and not of or with the User System ;
"Transmission Business"	the authorised business of The Company or any Affiliate or Related Undertaking in the planning, development, construction and maintenance of the National Electricity Transmission System (whether or not pursuant to directions of the Secretary of State made under section 34 or 35 of the Act) and the operation of such system for the transmission of electricity, including any business in providing connections to the National Electricity Transmission System but shall not include (i) any other Separate Business or (ii) any other business (not being a Separate Business) of The Company or any Affiliate or Related Undertaking in the provision of services to or on behalf of any one or more persons;
"Transmission Connection Assets"	the Transmission Plant and Transmission Apparatus necessary to connect the User's Equipment to the National Electricity Transmission System at any particular Connection Site in respect of which The Company charges Connection Charges (if any) as listed or identified in Appendix A to the Bilateral Connection Agreement relating to each such Connection Site ;
"Transmission Connection Asset"	in relation to a particular User , as defined in its

Works"	Construction Agreement;
"Transmission Entry Capacity"	the figure specified as such as set out in Appendix C of the relevant Bilateral Connection Agreement or Bilateral Embedded Generation Agreement;
"Transmission Licence"	the licence granted to The Company under section 6(1)(b) of the Act;
"Transmission Licences"	the licence granted to The Company , Scottish Power Transmission Ltd and Scottish-Hydro Transmission Ltd under the Act; <i>[Note: There is potential for confusion over the use of the singular to refer to The Company's licence and the plural to refer to all three licences and it may be helpful to distinguish between the two terms more clearly]</i>
"Transmission Network Services"	as defined in the Transmission Licence;
"Transmission Network Use of System Charges"	the element of Use of System Charges payable in respect of Transmission Network Services (including for the avoidance of doubt Transmission Network Use of System Demand Reconciliation Charges and ET Use of System Charges);
"Transmission Network Use of System Demand Charges"	that element of Transmission Network Use of System Charges relating to Demand;
"Transmission Network Use of System Demand Zone"	each of the zones identified by The Company in the Charging Statements for charging of Transmission Network Use of System Charges in relation to Demand;
"Transmission Network Use of System Demand Reconciliation Charges"	sums payable by the User to The Company under invoices issued to the User pursuant to Paragraph 3.12.7;
"Transmission Owner Activity"	The Function of the Transmission Licensees' Transmission Business as defined in the Transmission Licences;
"Transmission Related Agreement"	an agreement between The Company and a User substantially in the form of Schedule 2 Exhibit 5;
-"Transmission Services Activity"	as defined in the Transmission Licence;
"Transmission Services Use of System Charges"	the element of Use of System Charges payable in respect of the Transmission Services Activity;

"Transmission Reinforcement Works"	in relation to a particular User , as defined in its Construction Agreement or BELLA as appropriate;
"Transmission Voltage"	In Scotland voltages of 132kV and above; in England and Wales voltages above 132kV – usually 275kV and 400kV;
"Transmission Works Register"	the register set up by The Company pursuant to Paragraph 6.36.1.;
"Transmission Works"	in relation to a particular User , those works which are specified in Appendix H to the relevant Construction Agreement , where Part 1 is works required for the User and Part 2 is works required for wider system reasons.;
"Triad"	is used as a short hand way to describe the three settlement periods of highest transmission systems demand , namely the half hour settlement period of system peak demand and the two half hour settlement periods of next highest demand , which are separated from the system peak demand and from each other by at least 10 Clear Days , between November to February inclusive;
"Undertaking"	as defined in section 259 of the Companies Act 1985;
"Unsecured Credit Cover"	the maximum amount of unsecured credit available to each User for the purposes of Part III of Section 3 of the CUSC at any time which shall be a sum equal to 2% of the NGC Prescribed Level in the relevant Financial Year ;
"Unusual Load Characteristics"	loads which have characteristics which are significantly different from those of the normal range of domestic, commercial and industrial loads (including loads which vary considerably in duration or magnitude).
"Urgent AmendmentCUSC Modification Proposal"	an AmendmentCUSC Modification Proposal treated or to be treated as an Urgent AmendmentCUSC Modification Proposal in accordance with Paragraph 8.2124;
"Use of System"	use of the National Electricity Transmission System for the transport of electricity by any Authorised Electricity Operator or Interconnector User or Interconnector Error Administrator ;
"Use of System Application"	an application for a Bilateral Embedded Generation Agreement or for Use of System in the form or substantially in the form set out in Exhibit D or F to the CUSC as appropriate;

"Use of System Charges"	charges made or levied or to be made or levied by The Company for the provision of services as part of the Transmission Business to any Authorised Electricity Operator as more fully described at Standard Condition C4 and C5 of the Transmission Licence and in the Bilateral Agreements and Section 3 and Section 9 Part II and as amended in accordance with Standard Condition C13 of the Transmission Licence but shall not include Connection Charges ;
"Use of System Charging Methodology"	as defined in the Transmission Licence
"Use of System Interconnector Confirmation Notice"	the part of the Use of System Interconnector Offer and Confirmation Notice by which The Company confirms the use of the National Electricity Transmission System by an Interconnector User or an Interconnector Error Administrator ;
"Use of System Interconnector Offer and Confirmation Notice"	the notice which combines the offer and confirmation in relation to the use of the National Electricity Transmission System by an Interconnector User or an Interconnector Error Administrator , in the form set out in Exhibit H to the CUSC ;
"Use of System Interconnector Offer Notice"	the part of the Use of System Interconnector Offer and Confirmation Notice by which The Company offers an Interconnector User or an Interconnector Error Administrator use of the National Electricity Transmission System ;
"Use of System Offer"	an offer (or in the case of a use of system generation offer and where appropriate, offers) made by The Company to a User pursuant to Paragraph 3.7 or 9.21 substantially in the form of Exhibit G (Use of System Supply Offer) or Exhibit E (Use of System Generation Offer) or Exhibit H (Use of System Interconnector Offer) to the CUSC ;
"Use of System Payment Date"	the date for payment of Use of System Charges ;
"Use of System Supply Confirmation Notice"	the part of the Use of System Supply Offer and Confirmation Notice by which The Company confirms the use of the National Electricity Transmission System by a Supplier ;

"Use of System Supply Offer and Confirmation Notice"	the notice which combines the offer and confirmation in relation to the use of the National Electricity Transmission System by a Supplier , in the form set out in Exhibit G to the CUSC ;
"Use of System Supply Offer Notice"	the part of the Use of System Supply Offer and Confirmation Notice by which The Company offers a Supplier use of the National Electricity Transmission System ;
"Use of System Termination Notice"	the notice to be given to terminate Use of System by a Supplier or an Interconnector User , or an Interconnector Error Administrator in accordance with the CUSC ;
"User"	a person who is a party to the CUSC Framework Agreement other than The Company ;
"User Development"	shall have the meaning set out in the Connection Application or the Use of System Application as the case may be;
"User's Allowed Credit"	that proportion of the Unsecured Credit Cover extended to a User by NGC as calculated in accordance with Paragraph 3.26;
"User's Equipment"	the Plant and Apparatus owned by a User (ascertained in the absence of agreement to the contrary by reference to the rules set out in Paragraph 2.12) which: (a) is connected to the Transmission Connection Assets forming part of the National Electricity Transmission System at any particular Connection Site to which that User wishes so to connect, or (b) is connected to a Distribution System to which that User wishes so to connect;
"User's Licence"	a User's licence to carry on its business granted pursuant to Section 6 of the Act ;
"User System"	any system owned or operated by a User comprising Generating Units and/or Distribution Systems (and/or other systems consisting (wholly or mainly) of electric lines which are owned or operated by a person other than a Public Distribution System Operator and Plant and/or Apparatus connecting Generating Units, Distribution Systems (and/or other systems consisting wholly or mainly of electric lines which are owned or operated by a person other than a Public

Distribution System Operator or Non-Embedded Customers to the National Electricity Transmission System or (except in the case of Non-Embedded Customers) to the relevant other User System, as the case may be, including any Remote Transmission Assets operated by such User or other person and any Plant and/or Apparatus and meters owned or operated by such User or other person in connection with the distribution of electricity but does not include any part of the National Electricity Transmission System;

"Valid"

valid for payment to be made thereunder against delivery of a **Notice of Drawing** given within the period stated therein;

"Value Added Tax"

United Kingdom value added tax or any tax supplementing or replacing the same;

"Value At Risk Amendment"

the **Proposed Amendment** in respect of **Amendment Proposal 127**.

"Value At Risk Amendment Implementation Date"

the **Implementation Date** of the **Value At Risk Amendment**.

"Value At Risk Amendment Implementation End Date"

the date one year following the **Value At Risk Amendment Implementation Date**.

"Website"

the site established by **The Company** on the World-Wide Web for the exchange of information among **CUSC Parties** and other interested persons in accordance with such restrictions on access as may be determined from time to time by **The Company**;

"Week"

means a period of seven **Calendar Days** commencing at 05.00 hours on a Monday and terminating at 05.00 hours on the next following Monday;

"Weekly Maximum Generation Declaration"

has the meaning attributed to it in Paragraph 4.2.3.1;

~~"Working Group"~~Workgroup

a ~~**Working Group**~~**Workgroup** established by the ~~**Amendments**~~**CUSC Modifications** Panel pursuant to Paragraph 8.~~47~~20.1.

~~"Working Group"~~Workgroup Consultation"

As defined in Paragraph 8.~~47~~20.10, and any further consultation which may be directed by the ~~**Amendments**~~**CUSC Modifications** Panel pursuant to Paragraph 8.~~47~~20.17;

"WG Consultation Alternative Request"

any request from a **CUSC Party**, a BSC Party or the National Consumer Council –for a ~~Working Group~~Workgroup **Alternative Amendment**CUSC Modification be developed by the ~~Working Group~~Workgroup expressed as such and which contains the information referred to at Paragraph 8.1720.13. For the avoidance of doubt any **WG Consultation Alternative Request** does not constitute an ~~Amendment~~CUSC Modification **Proposal**; [Note: This amendment should have been made pursuant to CAP180]

"~~Working Group~~Workgroup **Alternative Amendment**CUSC Modification"

An alternative ~~amendment~~modification to the ~~Amendment~~CUSC Modification **Proposal** developed by the ~~Working Group~~Workgroup under the ~~Working Group~~Workgroup terms of reference (either as a result of a ~~Working Group~~Workgroup **Consultation** or otherwise) and which is believed by a majority of the members of the ~~Working Group~~Workgroup or by the chairman of the ~~Working Group~~Workgroup to better facilitate the **Applicable CUSC Objectives** than the ~~Amendment~~CUSC Modification **Proposal** or the current version of the **CUSC**;

END OF SECTION 11