

**DATED** \_\_\_\_\_ **2021**

**NATIONAL GRID ELECTRICITY SYSTEM OPERATOR LIMITED**

and

**[Company name]**

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**SERVICE AGREEMENT  
FOR THE PROVISION  
OF A STABILITY COMPENSATION SERVICE**

at

**[Site name]**

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**Contract Log No: [National Grid to provide]**

**Subject to Contract**

**Draft v.1.0**

## CONTRACT FORM

### Parties:

The “ <b>Company</b> ”:	<b>NATIONAL GRID ELECTRICITY SYSTEM OPERATOR LIMITED</b> , a company registered in England with number 11014226 whose registered office is at 1-3 Strand, London, WC2N 5EH; and
The “ <b>Provider</b> ”:	[REDACTED], a company registered in [] with number [ <i>Company number</i> ] whose registered office is at [ <i>registered office</i> ]

### Background:

The **Company** issued an Invitation to Tender (“**ITT**”) for the NOA Stability Pathfinder, Phase 3 on [REDACTED] 2021 for the provision of a stability compensation service and the **Provider** has submitted a tender for the provision of such service from its **Facility** that has been accepted by the **Company**.

This form (“**Contract Form**”) together with the document titled “General Terms and Conditions” (the “**GTCs**”) attached (including the schedules thereto) shall form the entire agreement between the **Company** and the **Provider** regarding the provision of a Stability Compensation Service from the **Facility**. Words and expressions used in this **Contract Form** and not defined herein shall have the meanings ascribed to them in the **GTCs**.

### Part 1 – Conditions Precedent

1. [The accession of the <b>Provider</b> to the <b>BSC</b> and the registration of the <b>Facility</b> as a <b>BM Unit</b> ].	
2. [The <b>Provider</b> becoming bound by the relevant <b>Bilateral Agreement</b> ].	
3. [The <b>Provider</b> acceding to the <b>CUSC</b> ].	
4. [Delivery by the <b>Provider</b> to the <b>Company</b> of <b>Acceptable Security</b> for an amount equal to the <b>Secured Amount</b> ].	

## Part 2 - The Facility

Facility:	[ ]
Type of Facility:	New Build Facility/Existing Facility <sup>*1</sup>
Confirmation Time:	
Contract Rate:	£[ ]/Settlement Period
Contracted Inertia Capability:	[ ]MW/s
Contracted SCL Capability:	[ ]MVA
Scheduled Commercial Operations Date:	[ ]
Synchronising Time:	
Target Availability for Contracted Inertia Capability	90%
Target Availability for Contracted SCL Capability	[ ]%

### Contracted Reactive Capability:

	MW	Minimum Mvar (+ve for lag, -ve for lead)	Maximum Mvar (+ve for lag, -ve for lead)
AT RATED MW			
AT FULL OUTPUT(MW)			
MINIMUM OUTPUT (MW)			

**Excitation and voltage control:** [paragraph 2 (generator/interconnector)] [paragraph 3 (Demand or 0MW connection)], Part B of Schedule C applies.<sup>2</sup>

### Part 3 – Reactive Meter Details

<u>BM</u> <u>Unit</u> <u>No</u>	<u>Metering</u> <u>Subsystem</u> <u>ID</u>	<u>Outstation</u> <u>ID</u>	<u>Channel</u> <u>Number</u>	<u>Meter</u> <u>Register</u> <u>ID</u>	<u>Measurement</u> <u>Quantity ID</u> <u>(RI or RE)</u>	<u>Loss</u> <u>Adjustment</u> <u>Factor</u>

<sup>1</sup> Delete as appropriate. For new builds, the Post Tender Milestone provisions will be applicable.

<sup>2</sup> Delete as appropriate.


## Part 4 – Post Tender Milestones

### Post Tender Milestones<sup>3</sup>

	Milestone	Evidence Required
1.	Agreed financing in place sufficient to fund completion of the <b>Works</b> .	Evidence should include internal governance sign-off and, where third party funding is required, a Letter of Intent from the funding party (subject to that party's due diligence process), confirming that there are no conditions of that financing that may negatively impact on the provision of the <b>Stability Compensation Service</b> . The documentation must be specific to the <b>Provider</b> and the <b>Facility</b> .
2.	The grant by the relevant local planning authority (on terms and conditions reasonably acceptable to the <b>Company</b> ) of permission for the proposed erection, construction operation and/or site clearance required (including all and any ancillary erections, structures and equipment, plant and apparatus) and use of the <b>Facility</b> for the provision of the <b>Stability Compensation Service</b> in accordance with the terms of the <b>Agreement</b> .	Copy of all relevant consents or (at the <b>Company's</b> sole discretion) a declaration by the <b>Provider</b> that it has obtained the necessary planning permission) that may be required to enable the <b>Provider</b> to deliver its project for the purposes of providing the <b>Stability Compensation Service</b> in accordance with the terms of the <b>Agreement</b>
3.	The <b>Provider</b> has either a leasehold or freehold interest in land upon which the <b>Facility</b> is (or is to be) situated	Evidence to the <b>Company's</b> reasonable satisfaction which may (at the <b>Company's</b> sole discretion) be by way of a declaration by the <b>Provider</b> that it has met these obligations.
4.	The <b>Provider</b> has commenced development and construction operations at the site.	Evidence (to the <b>Company's</b> reasonable satisfaction) or (at the <b>Company's</b> sole discretion) a declaration by the <b>Provider</b> that it has met these obligations.
5.	The <b>Provider</b> has in place (as can reasonably be expected to be in place by the <b>PTM Date</b> ), without limitation, those consents, permissions, approvals, licences, exemptions and other permits (in legally effectual form) as may be necessary to commence, carry out,	Evidence to the <b>Company's</b> reasonable satisfaction which may (at the <b>Company's</b> sole discretion) be by delivering certified copies of licences, exemptions and other permits and consents (in legally effectual form) or by a certificate from an independent consultant (based in the

<sup>3</sup> These Milestones are indicative and should be refined in the Tender Submission

	<p>maintain and ensure the provision of the <b>Stability Compensation Service</b> in accordance with the terms of the <b>Agreement</b>.</p>	<p>United Kingdom and who has sufficient experience and expertise in assessing the consenting requirements for the construction and operation of facilities similar to the <b>Provider's</b> system) that the <b>Provider</b> has, or can reasonably be expected to have, the necessary consents, permissions, approvals, licences, exemptions and other permits in place to enable the <b>Provider</b> to perform the <b>Stability Compensation Service</b> in accordance with the terms of the <b>Agreement</b> by no later than the <b>Commercial Operations Date</b>.</p>
6.	<p>Entry by the <b>Provider</b> into a binding agreement (on terms acceptable to the <b>Company</b>) for the connection of the <b>Facility</b> to the public electricity supplier or to the <b>National Electricity Transmission System</b> to receive a supply of electricity from and (where relevant) export electricity into the <b>National Electricity Transmission System</b>.</p>	<p>Unless evidence was fully provided at the <b>Tender</b> stage, evidence to the <b>Company's</b> reasonable satisfaction or (at the <b>Company's</b> sole discretion) a declaration by the <b>Provider</b> that it has entered into a suitable grid connection agreement that will enable the <b>Provider</b> to deliver the <b>Stability Compensation Service</b> in accordance with the terms of the <b>Agreement</b>.</p>
7.	<p>The <b>Provider</b> has put in place the necessary orders for all necessary plant, equipment, apparatus, machinery and other materials with long procurement and/or delivery periods.</p>	<p>Evidence to the <b>Company's</b> reasonable satisfaction.</p>
8.	<p>Entry by the <b>Provider</b> into a binding engineering procurement and construction contract and/or a supply agreement with an original equipment manufacturer (as applicable) for the provision of relevant equipment and services in developing the <b>Facility</b> (including all ancillary and associated works in relation thereto) on terms and conditions reasonably acceptable to the <b>Company</b>.</p>	<p>Unless a contract was entered into at the <b>Tender</b> stage, evidence to the <b>Company's</b> reasonable satisfaction which may be by way of a certificate from an independent consultant who has sufficient experience and expertise in assessing the necessary requirements for the construction and operation of facilities similar to the <b>Provider's</b> system in the United Kingdom that, given the terms of such agreements, there is a reasonable prospect of the <b>Facility</b> being <b>Commissioned</b> in time to deliver the <b>Stability Compensation Service</b> by no later than the <b>Scheduled Operations Date</b>.</p>

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**Part 5 – Notices**

The **Company's** address for service of Notices:

National Grid Electricity System Operator Limited  
Faraday House  
Warwick Technology Park  
Gallows Hill  
Warwick CV34 6DA  
Facsimile number: 01926 656613  
For the attention of: the Company Secretary  
Copy to: Head of Markets

The **Provider's** address for service of Notices:

[Company name]

[Company Address]

Facsimile number: [ ]

For the attention of: [ ]

Operational telephone contact number [ ]

Operational contact [ ]

**Part 6 - Special Conditions**

The following provisions shall supplement and, where inconsistent with the General Terms and Conditions, apply in place of the relevant provision of the General Terms and Conditions.

Signed for and on behalf of <b>NATIONAL GRID ELECTRICITY SYSTEM OPERATOR LIMITED</b> by [ ]: [ ]:	
Dated:	
Signed for and on behalf of [ ] <b>LIMITED</b> by [ ]:	
Dated:	