

DATED _____ **202[]**

NATIONAL GRID ELECTRICITY SYSTEM OPERATOR LIMITED

and

[Company name]

**CONTRACT FORM RELATING TO THE PROVISION
OF A REACTIVE POWER SERVICE**

at

[Site name]

Contract Log No: [National Grid to provide]

Subject to Contract

Draft v.2.0

CONTRACT FORM

Parties:

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

Background:

- A. The **Company** issued an Invitation to Tender (“**ITT**”) on [] for the provision of reactive power services (the “**Reactive Power Service**”) to the **National Electricity Transmission System** on the basis of a document titled “General Terms and Conditions” published on its website (the “**GTCs**”) and the **Provider** has submitted a tender for the provision of the **Reactive Power Service** from its **Facility**, including the implementation of the **Works**.
- B. The **Company** has selected the **Provider** to provide the **Reactive Power Service** on the basis of the rules set out in the **ITT** and the **Parties** are entering into this **Contract Form** in accordance with the **ITT**.

IT IS AGREED AS FOLLOWS

1. The **Company** and the **Provider** hereby agree to be bound by, and to comply with the requirements of this **Contract Form** and the applicable provisions of the **GTCs** in connection with the implementation of the **Works** and the provision of the **Reactive Power Service**.
2. This **Contract Form** and the **GTCs** shall, together, form the entire agreement between the **Parties** in connection with the implementation of the **Works** and the provision of the **Reactive Power Service** and shall be read and construed as a single agreement between the **Parties**.
3. Words and expressions defined in the **GTCs** shall have the same meanings where used herein.
4. The **Parties** agree that the implementation of the **Works** and the **Reactive Power Service** shall be performed in accordance with the requirements set out in Part [1 – 6] below.

Part 1 – Conditions Precedent

1.	[the Provider having made an application for the connection of its site in accordance with the provisions of [CUSC].
2.	The Provider demonstrating to the Company’s reasonable satisfaction that the Facility will have Acceptable Protection Settings in place.

Part 2 - The Facility

Facility:	[]
Type of Facility:	New Build Facility/Existing Facility * ¹ Static/Dynamic
Availability Fee:	£[]/Settlement Period
Scheduled Commercial Operation Date:	[]
Notice Period:	[] minutes
Contracted Absorption Capability:	[] MVA _r
Contracted Injection Capability:	[] MVA _r
Synchronising Time:	[] minutes

Part 3 – Post Tender Milestones

Post Tender Milestones

No.	Milestone	Evidence Required	Deadline ²
1	Agreed financing in place sufficient to fund completion of the Works .	1a. Sanction / Final Investment Decision Complete 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 Reactive Power Service . The documentation must be specific to the Provider and the Facility .	6 months post contract signature
		1b. Access to funds secured Evidence to the Company's reasonable satisfaction.	6 months post contract signature
2	Entry by the Provider into a binding agreement for the connection of the Facility to the public electricity supplier or to the National Electricity Transmission System to receive a supply of electricity from and (where relevant) export	Unless evidence was fully provided at the Tender stage, evidence to the Company's reasonable satisfaction or (at the Company's sole discretion) a	9 months post contract signature

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

² These are the latest dates by which each milestone must be achieved

	electricity into the National Electricity Transmission System.		declaration by the Provider that it has entered into a suitable grid connection agreement that will enable the Provider to deliver the Reactive Power Service in accordance with the terms of the Agreement.	
3	Planning	<p>3a. The grant by the relevant local planning authority 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 Facility for the provision of the Reactive Power Service in accordance with the terms of the Agreement.</p> <p>3b. Highways Planning Application Approved</p> <p>3c. Environmental Planning Application Approved</p> <p>3d. Construction Planning Application Approved</p> <p>3e. Site Investigation Planning Application Approved</p>	Copy of all relevant consents or (at the Company's sole discretion) a declaration by the Provider that it has obtained the necessary planning permission that may be required to enable the Provider to deliver its project for the purposes of providing the Reactive Power Service in accordance with the terms of the Agreement	9 months post contract signature
4	Land	4a. The Provider has either a leasehold or freehold interest in land	Evidence to the Company's reasonable satisfaction which may	

		upon which the Facility is (or is to be) situated	(at the Company's sole discretion) be by way of a declaration by the Provider that it has met these obligations.	9 months post contract signature
		4b. The provider has either a leasehold, freehold or other sufficient easement to enable use of Land for the cable routes required		
		4c. The Provider has any other Land Agreements secured for any other land access requirements		
5	Completion of procurement exercise to appoint balance of plant contractor	Award letter – redacted where necessary	12 months prior to Scheduled Commercial Operations Date	
6	The Provider has put in place the necessary orders for all necessary plant, equipment, apparatus, machinery and other materials with long procurement and/or delivery periods.	Evidence to the Company's reasonable satisfaction.	18 months prior to Scheduled Commercial Operations Date	
7	Entry by the Provider 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 Facility (including all ancillary and associated works in relation thereto) consistent with the requirements of the Project Plan.	Unless a contract was entered into at the Tender stage, evidence to the Company's 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 Provider's system in the United Kingdom that, the	18 months prior to Scheduled Commercial Operations Date	

			Provider has entered 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 Facility (including all ancillary and associated works in relation thereto) in accordance with the Project Plan .	
8	Any other siteworks / civils contractor appointed as required		Award letter – redacted where necessary	18 months prior to Scheduled Commercial Operations Date
9	Logistics Planning & Scheduling for plant and equipment transport to site completed / approved with agreement from all impacted/necessary contractors and/or stakeholders		Evidence to the Company's reasonable satisfaction.	12 months prior to Scheduled Commercial Operations Date
10	The Provider has commenced development and construction operations at the site.	10a. Access route established and ready for use	Evidence (to the Company's reasonable satisfaction) or (at the Company's sole discretion) a declaration by the Provider that it has met these obligations.	12 months prior to Scheduled Commercial Operations Date
		10b. Any demolition completed as required	Evidence (to the Company's reasonable satisfaction) or (at the Company's sole discretion) a declaration by the Provider that it	12 months prior to Scheduled Commercial

			has met these obligations.	Operations Date
		10c. Land cleared	Evidence (to the Company's reasonable satisfaction) or (at the Company's sole discretion) a declaration by the Provider that it has met these obligations.	12 months prior to Scheduled Commercial Operations Date
		10d. Welfare and site set up	Evidence (to the Company's reasonable satisfaction) or (at the Company's sole discretion) a declaration by the Provider that it has met these obligations.	12 months prior to Scheduled Commercial Operations Date
		10e. Construction of foundations	Evidence (to the Company's reasonable satisfaction) or (at the Company's sole discretion) a declaration by the Provider that it has met these obligations.	12 months prior to Scheduled Commercial Operations Date
11	Orders placed for remaining plant, equipment, apparatus etc... without long lead times		Evidence to the Company's reasonable satisfaction.	12 months prior to Scheduled Commercial Operations Date
12	Final delivery of plant and equipment to site		Evidence to the Company's reasonable satisfaction.	4 months prior to Scheduled Commercial Operations Date

13	Completion of connection works by the Local TO	Evidence to the Company's reasonable satisfaction.	6 months prior to Scheduled Commercial Operations Date
14	Installation of plant and equipment	Evidence to the Company's reasonable satisfaction.	4 months prior to Scheduled Commercial Operations Date
15	Acceptable Protection Settings in place	Demonstration to the Company's reasonable satisfaction	4 months prior to Scheduled Commercial Operations Date
16	Commissioning – synchronisation to the NETS	Evidence to the Company's reasonable satisfaction.	1 month prior to Scheduled Commercial Operations Date
17	Grid Code compliance tests completed / passed	Evidence to the Company's reasonable satisfaction.	1 month prior to Scheduled Commercial Operations Date

Note: where the requirement in the table above is for evidence to the **Company's** reasonable satisfaction to be provided, the **Provider** must provide additional evidence on reasonable request by the **Company**.

Part 4 – 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 5 – Locations and Subcontractors (Security Schedule)

1.1. **Provider** locations Table

The following table lists the **Provider's** primary locations that are directly supporting the delivery of the **Agreement** and therefore have any level of access to the **Company's** systems or data (this could include operational management, cloud hosting, IT support):

Name	Address	Country	Description of Products or Services

1.2. Sub-tier providers and subcontractor table.

The following sub-tier providers and subcontractors will have access to the Company's systems or data:

Name	Address	Country	Description of Products or Services

[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.]

IN WITNESS WHEREOF the hands of the duly authorised representatives of the **Parties** at the date first above written

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