

Short Term Operating Reserve (STOR)

Service Terms

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- 1. Introduction
- 1.1. These STOR Service Terms shall apply to each Service Provider and STOR Unit where, in accordance with the STOR Auction Rules, and for any STOR Service Day, the Service Provider's STOR Bid(s) for that STOR Unit is/are accepted by NESO so as to form a STOR Contract.
- 1.2. These STOR Service Terms shall also apply to any Service Provider who wishes to submit Optional Availability Declarations with respect to a Non-Contracted STOR Unit which is not BM Participating, the utilisation of which by NESO will also form a STOR Contract.
- 1.3. Each **STOR Contract** shall create a legally binding obligation on the **Service Provider** to provide from the relevant **STOR Unit**, and for **NESO** to pay for, **STOR** to be delivered during a combination of **STOR Windows** in a single **STOR Service Day** upon the terms of these **STOR Service Terms**.
- 1.4. For the avoidance of doubt:-
 - (a) except as otherwise provided in these STOR Service Terms, neither a Service Provider nor NESO shall be under any obligation or commitment to respectively provide or pay for STOR except pursuant to a STOR Contract formed in respect of that STOR Unit for that STOR Service Day; and
 - (b) Service Providers with Non-Contracted STOR Units which are BM Participating may contribute to NESO's requirement for STOR in a similar way to submission of Optional Availability Declarations by participating in the Balancing Mechanism, which shall not involve the formation of STOR Contracts.
 - 1.5. Neither **Party** may terminate a **STOR Contract** once formed except as provided or referred to in paragraph 18 or by agreement in writing between the **Parties**.

2. Changes to these STOR Service Terms

- 2.1 Subject always to sub-paragraph 2.2, **NESO** may update these **STOR Service Terms** from time to time by publication of an updated version on its website, and each such updated version shall be effective from the date shown on its front cover provided always that any updated version shall not apply to any **STOR Contract** extant at the date of publication except with the consent in writing of the relevant **Service Provider**.
- 2.2 To the extent required by the **Electricity Balancing Guidelines** (and by reference to those provisions of the **STOR Procurement Documents** constituting terms and conditions approved by the **Authority** as the terms and conditions related to balancing pursuant to Article 18 of the **Electricity Balancing Guidelines**), any variation to these **STOR Service Terms** will be proposed and implemented in accordance with the applicable requirements in the **Electricity Balancing Guidelines**.
- 3. STOR General Terms and Conditions and STOR Glossary of Terms and Rules of Interpretation
- 3.1 These **STOR Service Terms** are subject to the prevailing **STOR General Terms and Conditions** published by **NESO** alongside these **STOR Service Terms**.



- 3.2 Unless the context otherwise requires, any capitalised term used in these **STOR Service Terms** shall have the meaning given to it (if any) in the prevailing **STOR Glossary of Terms and Rules of Interpretation**, and the rules of interpretation set out in that document shall also apply.
- 3.3 For the purposes of sub-paragraphs 3.1 and 3.2, with respect to any **STOR Contract**, "prevailing" shall mean the latest version of the applicable document which is in effect at the time of formation of that **STOR Contract**.
- 4. Service Availability Committed Windows (Mandatory Availability Declarations Contracted STOR Units only)
- 4.1 This paragraph 4 applies only to **STOR Units** in respect of which, for a **STOR Service Day**, **NESO** has accepted a **STOR Bid** so as to render that **STOR Unit**, for that **STOR Service Day**, a **Contracted STOR Unit**.
 - Non-BM Participating
- 4.2 With respect to any **Contracted STOR Unit** which is not **BM Participating**, **NESO** may utilise **STOR** made available by the **Service Provider** during **STOR Committed Windows** (and associated **Pre-Window Instruction Periods** and **Post-Window Ramping Periods**) by the issue of one or more **Instructions**.
- 4.3 To facilitate the issue by NESO of an Instruction in respect of a STOR Committed Window, and subject always to sub-paragraph 4.8, the Service Provider shall confirm the technical and commercial parameters comprising its STOR Contract by submitting to NESO, in respect of the relevant Contracted STOR Unit and so as to constitute a Mandatory Availability Declaration, by no later than ninety (90) minutes prior to the start of that STOR Committed Window, a Non-BM Data Submission specifying, for that STOR Committed Window:-
 - (a) the STOR Unit ID;
 - (b) the **Contracted MW** (which for the avoidance of doubt shall be taken from the relevant **STOR Bid** (or the accepted portion if **Curtailed**); and
 - (c) a single Energy Utilisation Price (which for the avoidance of doubt shall apply throughout that Committed Window (and its associated Pre-Window Ramping Period and Post-Window Ramping Period) but need not be the same as that specified for other STOR Windows in that STOR Service Day).
- 4.4 In the event that the Service Provider has failed, in respect of any STOR Committed Window, to submit a Mandatory Availability Declaration by way of a compliant Non-BM Data Submission for the relevant Contracted STOR Unit in accordance with sub-paragraph 4.3, then paragraph 9 (Events of Default and Consequences) shall apply unless the failure is in respect of:-
 - (a) a Settlement Period contained in a Recovery Period; and/or
 - (b) a **STOR Committed Window** to which sub-paragraph 7.8 applies.

BM Participating

4.5 With respect to any **Contracted STOR Unit** which is **BM Participating**, **NESO** may utilise **STOR** made available by the **Service Provider** during **STOR Committed Windows** by the issue of one or more **Bid-Offer Acceptances** in accordance with the **Grid Code**.



- 4.6 To facilitate the issue by NESO of a Bid-Offer Acceptance in respect of a STOR Committed Window, and subject always to sub-paragraph 4.8, the Service Provider shall submit (or resubmit in accordance with sub-paragraph 4.11) to NESO in accordance with the Grid Code, in respect of the relevant Contracted STOR Unit and so as to constitute a Mandatory Availability Declaration, by no later than Gate Closure for the first Settlement Period in the Pre-Instruction Window for that STOR Committed Window, BM Unit Data comprising:
 - (a) for the duration of the Pre-Window Instruction Period and STOR Committed Window:-
 - (i) a **Physical Notification** as at **Gate Closure** of less than or equal to zero (0) MW;
 - (ii) a Maximum Export Limit of no less than the Contracted MW; and
 - (iii) a **Stable Export Limit** of no greater than the lesser of the **Maximum Export Limit** and **Contracted MW**,

reflecting a physical position sufficient to enable submission of **Bid-Offer Data** in accordance with paragraph (b) below;

- (b) in respect of each Settlement Period comprised in the Pre-Window Ramping Period, STOR Committed Window and Post-Window Ramping Period, Bid-Offer Data comprising a Bid-Offer Pair No 1 with a MW range from 0 MW to a MW level greater than or equal to the Contracted MW; and
- (c) for the duration of the Pre-Window Instruction Period, STOR Committed Window and Post-Window Ramping Period, associated Dynamic Parameters and other relevant BM Unit Data consistent with the Technical Parameters.
- 4.7 In the event that the Service Provider has failed, in respect of any Settlement Period contained in a STOR Committed Window and/or associated Pre-Window Instruction Period (including the Pre-Window Ramping Period) and/or associated Post-Window Ramping Period, to submit a Mandatory Availability Declaration by way of BM Unit Data for the relevant Contracted STOR Unit in accordance with sub-paragraph 4.6, then paragraph 9 (Events of Default and Consequences) shall apply unless the failure is in respect of:-
 - (a) a Settlement Period contained in a Recovery Period; and/or
 - (b) a **STOR Committed Window** to which sub-paragraph 8.6(b) applies.

Technical unavailability - redeclarations

- 4.8 Where the **Service Provider** becomes aware of changes in the technical capabilities of a **Contracted STOR Unit** rendering it unable to deliver **STOR** in a **STOR Committed Window** in accordance with its **STOR Contract**, then it shall promptly withdraw its **Mandatory Availability Declaration** (regardless of whether the applicable deadline in sub-paragraph 4.3 or 4.6 (as the case may be) has passed) by way of either (as applicable):-
 - (a) submission or resubmission of a **Non-BM Data Submission** indicating such unavailability, or
 - (b) an appropriate resubmission of its **Maximum Export Limit** in accordance with the **Grid Code**,



and in either case **STOR** shall be deemed unavailable from that **Contracted STOR Unit** with effect from the time of such notification (or from the time of commencement of such inability to deliver **STOR** if different)) and until expiry of that **STOR Committed Window** or (if earlier) until availability is restored as notified by the **Service Provider** pursuant to sub-paragraph 4.9.

- 4.9 If following any notification of unavailability of **STOR** in a **STOR Committed Window** pursuant to sub-paragraph 4.8 and prior to expiry of that **Committed STOR Window** the **Service Provider** becomes aware of restoration of the ability of the **Contracted STOR Unit** to deliver **STOR**, then it shall promptly resubmit its **Mandatory Availability Declaration** by way of either (as applicable):-
 - (a) resubmission of a **Non-BM Data Submission** indicating such restoration of availability, or
 - (b) an appropriate resubmission of its **Maximum Export Limit** in accordance with the **Grid Code**,

and in either case **STOR** shall be deemed available from that **Contracted STOR Unit** with effect from the later of the time of such notification and any time of restoration as may be indicated by the **Service Provider**, and (subject always to sub-paragraph 4.8) until the expiry of that **Committed STOR Window**, provided always that notwithstanding such resumption of availability there shall be no accrual of **Reserve Availability Payments** with respect to that **STOR Committed Window** (or the remaining part thereof) where the **Mandatory Availability Declaration** is resubmitted after the applicable deadline in sub-paragraph 4.3 or 4.6 (as the case may be).

4.10 Each withdrawal by the **Service Provider** of a **Mandatory Availability Declaration** pursuant to subparagraph 4.8 shall, upon request by **NESO** and as soon as reasonably practicable thereafter be followed by an explanation in reasonable detail of the reasons for such unavailability.

Mandatory Bids - miscellaneous

- 4.11 For the avoidance of doubt, a **Non-BM Data Submission** submitted by a **Service Provider** prior to formation of a **STOR Contract** shall be deemed to be validly submitted as a **Mandatory Availability Declaration** for the purposes of this paragraph 4 provided that, in the event of any discrepancy between the contents of an accepted **STOR Bid** and the prevailing **Non-BM Data Submission**, it is promptly resubmitted in accordance with sub-paragraph 4.3 whereupon it shall supersede and replace the previously submitted **Non-BM Data Submission**.
- 4.12 Paragraph 9 (Events of Default and Consequences) shall apply in respect of:-
 - (a) any failure by the **Service Provider** to withdraw or resubmit its **Mandatory Availability Declaration** pursuant to sub-paragraphs 4.8 or 4.9; or
 - (b) any withdrawal of a **Mandatory Availability Declaration** taking place after the applicable deadline in sub-paragraph 4.3,4.6 or 4.11 (as the case may be) has passed; or
 - (c) any invalid withdrawal of a **Mandatory Availability Declaration** pursuant to subparagraph 4.8, which shall means a withdrawal which is, in **NESO**'s reasonable opinion:-
 - (i) unrelated to changes in the technical capabilities of a Contracted STOR Unit; or
 - (ii) related to the technical capabilities of a **Contracted Unit** resulting from an event or circumstance within the reasonable control of the **Service Provider**; or
 - (d) any failure to provide an explanation in the circumstances set out and in accordance with sub-paragraph 4.10.



4.13 No costs or expenses incurred by **Service Providers** in the course of preparing and/or submitting **Mandatory Availability Declarations** shall be paid by **NESO**.

STOR Contract Transfers

- 4.14 Upon service of any valid **Transfer Notice** pursuant to paragraph 20, and in relation only to the relevant **Transfer Period**, the provisions of this paragraph 4 shall be varied as between **NESO** and the **Primary Service Provider** in the manner set out in sub-paragraph 20.13.
- 5. Service Availability Optional Availability Declarations (Non-BM Participating only)
- 5.1 This paragraph 5 applies only to **STOR Units** which are not **BM Participating** and:-
 - (a) to all STOR Optional Windows and/or one or more STOR Committed Window(s) in a single STOR Service Day in relation to any STOR Unit in respect of which, for that STOR Service Day, NESO has not accepted a STOR Bid; and
 - (b) to all STOR Optional Windows in a single STOR Service Day in relation to any Contracted STOR Unit in respect of which NESO has accepted a STOR Bid for that STOR Service Day.
- 5.2 With respect to any **STOR Unit** which is not **BM Participating**, a **Service Provider** may submit an **Optional Availability Declaration** in the form of a **Non-BM Data Submission** meeting the requirements of sub-paragraph 5.5, which **NESO** may utilise by the issue of an **Instruction**.
- 5.3 For the avoidance of doubt:-
 - (a) an **Optional Availability Declaration** may not be submitted by a **Service Provider** in relation to any **STOR Committed Window** where the **STOR Unit** is a **Contracted STOR Unit** for the relevant **STOR Service Day**; and
 - (b) where the **Service Provider** is submitting a **Mandatory Availability Declaration** pursuant to paragraph 4, any **Optional Availability Declaration** may be submitted simultaneously with the **Mandatory Availability Declaration** using a single **Non-BM Data Submission**.
- 5.4 Further for the avoidance of doubt, the submission by a **Reserve Provider** of an **Optional Availability Declaration** shall not of itself constitute a **STOR Contract** or otherwise create any legally binding rights and obligations as between the **Parties** for the provision of **STOR** by the **Service Provider** from the relevant **STOR Unit**.
- 5.5 Each **Non-BM Data Submission** comprising an **Optional Availability Declaration** shall specify:
 - (a) the STOR Unit ID;
 - (b) an **Optional MW**, which must be the same value for all **STOR Optional Windows** in a **STOR Service Day**; and
 - (c) an Energy Utilisation Price, which:-
 - (i) must be the same value of a single **STOR Window**;
 - (ii) need not be the same as that specified for other **STOR Windows** in that **STOR Service Day**; and



- NESO National Energy System Operator
- (iii) may be updated by the Service Provider in respect of any STOR Window by way of a resubmitted Non-BM Data Submission no later than ninety (90) minutes prior to commencement of that STOR Window.
- 5.6 Each such **Non-BM Data Submission** shall be submitted by the **Service Provider** to **NESO**:-
 - (a) in the case of sub-paragraph 5.1(a) (where the **STOR Unit** is not a **Contracted STOR Unit** for the relevant **STOR Service Day**), by no later than either:-
 - (i) midnight prior to commencement of the STOR Service Day where the Optional Bid includes all of the STOR Optional Windows, or
 - (ii) ninety (90) minutes prior to the start of the relevant **Committed Window** where the **Optional Bid** does not include any **Optional Windows**; or
 - (b) in the case of sub-paragraph 5.1(b) (where the STOR Unit is a Contracted STOR Unit for the relevant STOR Service Day), by no later than midnight prior to commencement of the STOR Service Day where the Optional Bid comprises all of the STOR Optional Windows,
- 5.7 Where with respect to any **STOR Window** the **Service Provider** wishes to revise its **Optional Availability Declaration**, it shall do so by submitting a replacement **Non-BM Data Submission** in accordance with sub-paragraph 5.5, and by no later than the latest time for submission specified in sub-paragraph 5.6, save that a **Service Provider** may submit a revised **Non-BM Data Submission** after such time if and to the extent that it is to update its **Energy Utilisation Price(s)** in accordance with sub-paragraph 5.5(c)(iii). Any such replacement **Non-BM Data Submission** shall supersede and replace all previously submitted **Non-BM Data Submission**s.
- 5.8 Where the Service Provider becomes aware of changes in the technical capabilities of a STOR Unit rendering it unable to deliver STOR in accordance with any Optional Availability Declaration, then it shall promptly notify NESO of unavailability of STOR from the relevant STOR Unit by way of resubmission of the Non-BM Data Submission indicating such unavailability (regardless of whether the latest time for submission specified in sub-paragraph 5.6 has passed), and STOR shall be deemed unavailable from that STOR Unit with effect from the time of such notification unless and until the Service Provider subsequently submits a Non-BM Data Submission by way of a Mandatory Availability Declaration or Optional Availability Declaration.
- 5.9 Paragraph 9 (Events of Default and Consequences) shall apply in respect of any failure by the **Service Provider** to serve notice pursuant to sub-paragraph 5.8.
- 5.10 No costs or expenses incurred by **Service Providers** in the course of preparing and/or submitting **Optional Availability Declarations** shall be paid by **NESO**.
- 5.11 Where, in respect of any **STOR Window**, any of the contents of a **Non-BM Data Submission** for an **Optional Availability Declaration** conflicts with those for a **Mandatory Availability Declaration**, the latter shall prevail.
- 5.12 By submitting an **Optional Availability Declaration**, each **Service Provider** hereby warrants and undertakes to **NESO** that it has neither fixed nor adjusted its prices or any of them under or in accordance with any agreement or arrangement with any other person, and that it has neither communicated to a person (other than its professional advisers) the amount or approximate amount of its prices (other than in confidence in order to obtain quotations necessary for insurance purposes) nor entered into any agreement or arrangement with any other person to restrain that other person from submitting or to fix or adjust the prices or any of them to be submitted by that other person, and

each **Service Provider** indemnifies **NESO** from and against any losses, liabilities, claims, expenses and demands which **NESO** might suffer as a result of the **Service Provider** being in breach of the warranty and undertaking set out in this sub-paragraph 5.12.

5.13 Service Providers with STOR Units which are BM Participating may contribute to NESO's requirement for STOR in a similar way to submission of Optional Availability Declarations by participating in the Balancing Mechanism, which shall not involve the formation of STOR Contracts.

6. Service Instruction

Non-BM Participating

- 6.1 With respect to any **STOR Unit** which is not **BM Participating**, and except to the extent the **STOR Unit** is deemed to be unavailable to deliver **STOR** pursuant to paragraph 4, **NESO** may in any:-
 - (a) STOR Committed Window;
 - (b) STOR Optional Window; or
 - (c) Pre-Window Instruction Period,

serve the **Service Provider** with a notice (an "**Instruction**") requiring the **Service Provider** to provide **STOR** from that **STOR Unit**.

- 6.2 Within two (2) minutes of receipt of any **Instruction** the **Service Provider** shall notify **NESO** of its acceptance or rejection, and an **Instruction** shall be deemed rejected if no such notification is received by **NESO** by such time. The **Service Provider** may only reject an **Instruction** for safety reasons or reasons relating to the technical capability of the **STOR Unit** or where the **Instruction** is issued in a **Recovery Period**.
- 6.3 **NESO** may instruct the **Service Provider** to cease the provision of **STOR** from a **STOR Unit** (a "**Cease Instruction**") with effect from any time on or after expiry of the **Minimum Utilisation Period**.
- 6.4 The **Service Provider** shall acknowledge receipt of any instruction given by **NESO** pursuant to subparagraph 6.3 within two (2) minutes of receipt.
- 6.5 Paragraph 9 (Events of Default and Consequences) shall apply in respect of any failure by the **Service Provider** to comply with sub-paragraphs 6.2 or 6.4.

BM Participating

6.6 Service Providers with STOR Units which are BM Participating shall be instructed to provide STOR in STOR Committed Windows by way of Bid-Offer Acceptances which may be issued by NESO in accordance with the Grid Code.

STOR Contract Transfers

6.7 Upon service of any valid **Transfer Notice** pursuant to paragraph 20, and in relation only to the relevant **Transfer Period**, the provisions of this paragraph 6 shall be varied as between **NESO** and the **Primary Service Provider** in the manner set out in sub-paragraph 20.13.



- 7. Service Delivery Non-BM Participating only
- 7.1 This paragraph 7 applies only to **STOR Units** which are not **BM Participating**.
- 7.2 Throughout each **STOR Committed Window** and/or **STOR Optional Window** (as the case may be) in any **STOR Service Day**, and except to the extent the **STOR Unit** is deemed to be unavailable to deliver **STOR** pursuant to paragraph 4, the **Service Provider** shall procure the delivery of **STOR** in accordance with this paragraph 7.
- 7.3 On receipt of an **Instruction** in respect of a **STOR Unit**, the **Service Provider** shall, commencing on or before the expiry of the **Response Time**, provide **Reserve** from that **STOR Unit** continuously until the earlier of:-
 - (a) the expiry of the Maximum Utilisation Period;
 - (b) the time specified by NESO in the Instruction;
 - (c) where pursuant to a Mandatory Availability Declaration, the end of the relevant STOR Committed Window, unless immediately followed by a STOR Optional Window in respect of which the Optional MW is greater than or equal to the Contracted MW;
 - (d) where pursuant to an **Optional Availability Declaration**, the end of the relevant **STOR Optional Window** unless immediately followed by a **STOR Committed Window** where the **Contracted MW** is greater than or equal to the **Optional MW**.
- 7.4 In the circumstances specified in sub-paragraphs 7.3(c) and (d), the **Service Provider** shall continue to deliver **Reserve** at the instructed level.
- 7.5 Paragraph 9 (Events of Default and Consequences) shall apply in respect of any failure by the **Reserve Provider** to comply with sub-paragraph 7.4.
- 7.6 In the event that, in respect of any such **STOR Unit**:-
 - (a) the Service Provider fails to provide Reserve of a level at least ninety-five (95)% of the Contracted MW or Optional MW (as the case may be) measured at the minute in which the Response Time expires;
 - (b) the volume in MWh of Reserve provided by the Service Provider following receipt of an Instruction is less than ninety-five (95)% of the Contracted MW or Optional MW (as the case may be) multiplied by the number of hours (including parts thereof) comprised in the period from the expiry of the Response Time until the first to occur of the times described in sub-paragraph 7.3;
 - (c) the Service Provider fails to provide Reserve continuously at a level of at least ninety-five (95)% of the Contracted MW or Optional MW (as the case may be) until the first to occur of the times described in sub-paragraph 7.3; or
 - (d) an Instruction is rejected (or deemed rejected) by the Service Provider (whether for reasons of safety or reasons relating to the technical capability of that STOR Unit), except where the Instruction is issued in a Recovery Period or in a STOR Committed Window to which subparagraph 7.8 applies,

paragraph 9 (Events of Default and Consequences) shall apply.

7.7 If in respect of a STOR Unit and any Settlement Period contained in a Pre-Window Instruction Period or STOR Committed Window, Active Power is provided or the average Demand is less than the Contracted MW otherwise than pursuant to an Instruction, then paragraph 9 (Events of Default and Consequences) shall apply (and for the avoidance of doubt provision of Active Power or reduction of Demand in excess of the Contracted MW shall not be construed as an Event of Default).

Recovery Periods

- 7.8 In the case where the **Recovery Period** following the provision of **STOR** by a **STOR Unit** overlaps with the **Pre-Window Instruction Period** for a subsequent **STOR Committed Window**, then **STOR** shall be deemed to be unavailable from that **Contracted STOR Unit** in respect of all **Settlement Periods** comprised in that subsequent **STOR Committed Window**, and no **Reserve Availability Payment** shall fall due in respect of that subsequent **STOR Committed Window**.
- 7.9 Where sub-paragraph 7.8 applies in respect of a **Contracted STOR Unit** and a **STOR Committed Window** and **NESO** issues an **Instruction** in that **STOR Committed Window** which is not subsequently rejected (or deemed rejected) by the **Service Provider** in accordance with subparagraph 6.2, then a **Reserve Utilisation Payment** shall fall due where applicable pursuant to paragraph 11.

STOR Contract Transfers

- 7.10 Upon service of any valid **Transfer Notice** pursuant to paragraph 20, and in relation only to the relevant **Transfer Period**, the provisions of this paragraph 7 shall be varied as between **NESO** and the **Primary Service Provider** in the manner set out in sub-paragraph 20.13.
- 8. Service Delivery BM Participating only
- 8.1 This paragraph 8 applies only to those **STOR Units** which are **BM Participating** and in respect of which, for a **STOR Service Day**, **NESO** has accepted a **STOR Bid** so as to render that **STOR Unit**, for that **STOR Service Day**, a **Contracted STOR Unit**.
- 8.2 The Service Provider shall, commencing on or before the expiry of the Response Time, provide Reserve from a Contracted STOR Unit in a STOR Committed Window in accordance with Bid-Offer Acceptance(s) issued by NESO continuously until the earlier of:-
 - (a) the expiry of the Maximum Utilisation Period;
 - (b) the time implied in the **Bid-Offer Acceptance**(s) issued by **NESO** in respect of that **Contracted STOR Unit**; and
 - (c) the end of the relevant **STOR Committed Window**, provided that no such obligation shall arise in respect of any **Bid-Offer Acceptance** rejected by the **Service Provider** pursuant to **Grid Code** BC2.7.3.

A.1.1.1 Events of Default

8.3

- In the event that, in respect of any Contracted STOR Unit:-
 - (a) the Service Provider fails to provide Reserve at a level at least ninety-five (95)% of the volume in MWh of energy instructed to be delivered in accordance with the relevant Bid-Offer Acceptance in the Settlement Period in which the Response Time ends;
 - (b) the volume in MWh of **Reserve** provided by the **Service Provider** in accordance with one or a series of contiguous **Bid-Offer Acceptance(s)** issued in accordance with sub-paragraph



4.4 is less than ninety-five (95)% of the volume in MWh of energy instructed to be delivered in accordance with such **Bid-Offer Acceptance(s)**;

- (c) the Service Provider fails to provide Reserve continuously at a level of at least ninety-five (95)% of the Contracted MW until the first to occur of the times described in sub-paragraphs 8.2(a), (b) and (c); or
- (d) a **Bid-Offer Acceptance** is rejected by the **Service Provider** (other than in accordance with **Grid Code** BC2.7.3(b) and whether for reasons of safety or otherwise),

paragraph 9 (Events of Default and Consequences) shall apply in respect of any such failure.

- 8.4 In the event that STOR has been declared or redeclared (or deemed) unavailable from a Contracted STOR Unit and the Service Provider submits, in respect of that Contracted STOR Unit, a Physical Notification of greater than zero (0) MW in respect of any Settlement Period contained within any affected STOR Committed Window and/or Pre-Window Instruction Period, then paragraph 9 (Events of Default and Consequences) shall apply.
- 8.5 In the event that, in respect of any Settlement Period contained in a STOR Committed Window and/or associated Pre-Window Instruction Period, the Service Provider exports Active Power to the Total System from a Contracted STOR Unit otherwise than pursuant to Bid-Offer Acceptance(s), then paragraph 9 (Events of Default and Consequences) shall apply.

Recovery Periods

- 8.6 In the case where the **Minimum Zero Time (Recovery Period)** following **Bid-Offer Acceptance** (whether for **STOR** or otherwise) overlaps with the **Pre-Window Instruction Period** for a subsequent **STOR Committed Window**, then:-
 - (a) STOR shall be deemed to be unavailable from that Contracted STOR Unit in respect of all Settlement Periods comprised in that subsequent STOR Committed Window, and no Reserve Availability Payment shall fall due in respect of the Settlement Periods comprised in that subsequent STOR Committed Window; and
 - (b) the **Reserve Provider** may, in relation to that **Contracted STOR Unit**, submit **BM Unit Data** in respect of any **Settlement Period** comprised in that subsequent **STOR Committed Window** and associated **Pre-Window Instruction Period** and **Post-Window Ramping Period** which is not in accordance with sub-paragraph 4.6.

STOR Contract transfers

8.7 Upon service of any valid **Transfer Notice** pursuant to paragraph 20, and in relation only to the relevant **Transfer Period**, the provisions of this paragraph 8 shall be varied as between **NESO** and the **Primary Service Provider** in the manner set out in sub-paragraph 20.13.

9. Events of Default

Non-BM Participating

9.1 The Events of Default applicable to a STOR Unit which is not BM Participating, and respective consequences, are set out below (for the avoidance of doubt, relating to Mandatory Availability Declarations only):

Event of Default	Sub- Paragraph	Fail Code	Consequences
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Availability			
A. Failure to submit or resubmit a Mandatory Availability Declaration in a timely manner –	4.4	MBOD	Deemed unavailability for STOR (no Reserve Availability Payment) for entirety of affected STOR Committed Window
B. Failure to submit or resubmit a Mandatory Availability Declaration with compliant content	4.4	IBOD	Deemed unavailability for STOR (no Reserve Availability Payment) for entirety of affected STOR Committed Window
C. Failure to promptly withdraw or resubmit Mandatory Availability Declaration (non- capability)	4.12(a)	NOTF	Deemed unavailability (no Reserve Availability Payment) for entirety of affected STOR Committed Window
D. Late withdrawal of Mandatory Availability Declaration (non- capability)	4.12(b)	LATE	Deemed unavailability for STOR (no Reserve Availability Payment) for entirety of STOR Committed Window (where withdrawn prior to start of the STOR Committed Window) or for the remaining affected part of the STOR Committed Window (where withdrawn during the STOR Committed Window)
E. Invalid withdrawal of Mandatory Availability Declaration	4.12(c)	NOTF	Deemed unavailability for STOR (no Reserve Availability Payment) for entirety of affected STOR Committed Window
F. Failure to provide explanation for failure	4.12(d)	NOTF	Deemed unavailability for STOR (no Reserve Availability Payment) for entirety of affected STOR Committed Window
Acknowledgments			
G. Failure to acknowledge Instruction or case instruction	6.5	CEAS	Deemed unavailability for STOR (no Reserve Availability Payment) for entirety of affected STOR Committed Window
H. Rejection (or deemed rejection)_ of Instruction	6.5	ACPT	Deemed unavailability for STOR (no A Reserve Availability Payment) for entirety of affected STOR Committed Window
Service delivery			
I. Late delivery (after Response Time) <i>[ie</i>	7.6(a)	CRSP	Deemed unavailability for STOR (no Reserve Availability



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	delivery < contracted MW in the minute the Response Time expires]			Payment) for Settlement Periods comprised (wholly or partly) in the period commencing on expiry of Response Time and ending at time when STOR is provided [NOTE: this will be evidenced by Delivered MWh>=95% of Expected MWh for a subsequent Settlement Period.]
J.	Volume shortfall [ie failure to deliver at least 95% of the expected MWh (excludes ramping periods)]	7.6(b)	CDEL	Deemed unavailability for STOR (no Reserve Availability Payment) in respect of remainder of STOR Committed Window commencing at time when Event of Default occurred
	Failure to maintain required level [ie at zero for a Contracted Unit that is assigned as a generator, and Demand MW >= Contracted MW for a Contracted Unit that is assigned as a demand reducer. (In this context if the metering data goes up when STOR is delivered then the unit is assigned as a generator, if the metering goes down then the Contracted Unit is assigned as a Demand Reducer. Note: This will be determined at Registration].	7.6(c)	IANU	Deemed unavailability for STOR (no Reserve Availability Payment) for entirety of affected STOR Committed Window
L.	Failure to comply with sub-paragraph 7.7 [ie If a Service Provider has declared unavailability of STOR from a Contracted Site for a STOR Committed Window and then the Contracted Unit subsequently generates within this STOR Committed Window]	7.7	GUNC	No additional consequence



BM Participating

9.2 The **Events of Default** applicable to a **STOR Unit** which is **BM Participating**, and respective consequences, are set out below (for the avoidance of doubt, relating to **Mandatory Availability Declarations** only:

Event of Default	Sub- Paragraph	Fail Code	Consequences
Availability			
A. Failure to submit or resubmit a Mandatory Availability Declaration in a timely manner	,	MBOD	Deemed unavailability for STOR (no Reserve Availability Payment) for entirety of affected STOR Committed Window
B. Failure to submit or resubmit a Mandatory Availability Declaration with compliant Bid-Offer Data [ie where Bid Offer Data shows bid/offered MW < Contracted MW, for Bid-Offer Pair No 1]	,	IBOD	Deemed unavailability for STOR (no Reserve Availability Payment) for each Settlement Period in which a failure occurs. Note the Reserve Availability Payment for a STOR Committed Window cannot be reduced to less than zero by operation an Event of Default occurring in a Pre-Window Instruction Period or Post- Window Ramping Period.
C. Submission of resubmission of Mandatory Availability Declaration with missing data [ie missing FPN data for any Settlement Period comprised in the Pre- Window Instruction Period or STOR Committed Window]		MFPN	Deemed unavailability for STOR (no Reserve Availability Payment) for entirety of affected STOR Committed Window
D. Submission or resubmission or Mandatory Availability Declaration comprising BM Unit Data with non- compliant Technica Parameters (being ND2 and Run Up and Run Down Rates)		RESP	Deemed unavailability for STOR (no Reserve Availability Payment) for each Settlement Period within the STOR Committed Window where it would not have been possible for the Contracted Unit to achieve its Contracted MW within the Response Time if the Contracted Unit had been instructed. This is measured at time (t) less the Response Time.



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	A failure to submit SEL < = Min(MEL, Contracted	4.7	ISEL	Deemed unavailability for STOR (no Reserve Availability
	MW)			Payment) for each Settlement Period within the STOR Committed Window where a
				failure identified.
				This is measured at time (t) less the Response Time .
	Failure to submit Minimum Non Zero Time	4.7	MIUT	Deemed unavailability for STOR (no Reserve Availability
	<= Minimum Utilisation Period			Payment) for each Settlement Period within the STOR
	(MNZT)			Committed Window where a
				failure identified. This is measured at time (t) less
				the Response Time.
-	Failure to submit Minimum Zero Time <=	4.7	RECP	Deemed unavailability for STOR (no Reserve Availability
	MZT (Recovery Period)			Payment) for the affected Settlement Period
H.	A failure to submit (NTO	4.7	CITM	Deemed unavailability for STOR
	+ Contracted MW/Average Run Down			(no Reserve Availability Payment) for the affected
	Rate Export) <= Cease Time			Settlement Period
	Failure to promptly withdraw or resubmit	4.12(a)	NOTF	Deemed unavailability for STOR (no Reserve Availability
	Mandatory Availability Declaration (non-			Payment) for entirety of affected STOR Committed Window
	capability)			
	Late withdrawal of Mandatory Availability	4.12(b)	LATE	Deemed unavailability for STOR
	Declaration (non-			(no Reserve Availability Payment) for entirety of STOR
	capability) <i>[ie a</i>			Committed Window (where
	redeclaration of availability (MEL) to less			withdrawn prior to start of the STOR Committed Window) or
	than Contracted MW			for the remaining affected part of
	after Gate Closure for the Pre-Window			the STOR Committed Window
	Instruction Period in			(where withdrawn during the STOR Committed Window)
	relation to a STOR			
	Committed Window] Invalid withdrawal of	4.12(c)	NOTF	Deemed unavailability for STOR
	Mandatory Availability			(no Reserve Availability
	Declaration			Payment) for affected STOR Committed Window
	Failure to provide	4.12(d)	NOTF	Deemed unavailability for STOR
	explanation for failure			(no Reserve Availability Payment) for entirety of affected
				STOR Committed Window



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M. Withdrawal of Mandatory Availability Declaration and non- zero PN [ie FPN>0 for any Settlement Period comprised in the Pre- Window Instruction Period or STOR Committed Window]	8.4	IFPN	Deemed unavailability for STOR (no Reserve Availability Payment) for entirety of affected STOR Committed Window
N. Exports during STOR availability otherwise than pursuant to BOA	8.5	CUNC	Deemed unavailability for STOR (no Reserve Availability Payment) for entirety of affected STOR Committed Window
Acknowledgements			
N/A			
Service Delivery			
O. Late delivery (after Response Time expires)	8.3(a)	CRSP	Deemed unavailability for STOR (no Reserve Availability Payment) for Settlement Periods comprised (wholly or partly) in the period commencing on expiry of Response Time and ending at time when STOR is provided. This will be evidenced by Delivered MWh (QMij)>=95% of Expected MWh (QMEij) for a subsequent Settlement Period
P. Volume shortfall [ie failure to deliver at least 95% of the expected MWh (excludes ramping periods)]	8.3(b) and/or (c)	CDEL	Deemed unavailability for STOR (no Reserve Availability Payment) in respect of remainder of STOR Committed Window commencing at time when Event of Default occurred
Q. Rejection of Bid Offer Acceptance	8.3(d)	ACPT	Deemed unavailability for STOR (no Reserve Availability Payment) for entirety of affected STOR Committed Window

9.3 In the event of any conflict or inconsistency between the description of an **Events of Default** in this paragraph 9 and any provision of these **STOR Service Terms** referred to herein establishing such **Event of Default**, the latter shall prevail.

10. Reserve Availability Payments

10.1 In respect of each **STOR Contract** formed pursuant to the **STOR Auction Rules**, **NESO** shall, in accordance with paragraph 12, pay to the **Service Provider** an amount (a "**Reserve Availability**





Payment") calculated in accordance with the formulae in Schedule 1 to these **STOR Service Terms** and by reference to the applicable **Availability Price** for each relevant **STOR Service Day**.

- 10.2 No **Reserve Availability Payment** shall be made with respect to **STOR Optional Windows**.
- 10.3 No **Reserve Availability Payment** shall be made by **NESO** to the **Service Provider** pursuant to this paragraph 10 in respect of any period or periods of unavailability or deemed unavailability pursuant to paragraph 4.
- 10.4 With respect to any **Transfer Period**, and for the avoidance of doubt:
 - (a) for the purposes of this paragraph 10, the availability of STOR pursuant to the relevant STOR Contract shall be assessed by reference to the STOR Units(s) Registered to the Secondary Service Provider and not to the Primary Service Provider's STOR Unit; and
 - (b) all and any **Reserve Availability Payments** accruing due pursuant to this paragraph 10 shall be payable to the **Primary Service Provider** and nothing in these **STOR Service Terms** shall create any liability or obligation on the part of **NESO** to make any such payments to the **Secondary Service Provider**.

11. Energy Utilisation Payments

- 11.1 Where a **STOR Unit** is not **BM Participating**, **NESO** shall pay to the **Reserve Provider** in accordance with paragraph 12, in respect of:-
 - (a) the increase in **Generation** or reduction in **Demand** (as the case may be) during **Pre-Window Ramping Periods** and **Post-Window Ramping Periods** in each month; and
 - (b) the provision of **Reserve** during **STOR Committed Windows** and **STOR Optional Windows** in each month,

an amount (an "**Energy Utilisation Payment**") calculated in accordance with the formula in Schedule 2 to these **STOR Service Terms** and by reference to the applicable **Energy Utilisation Price** for the relevant **STOR Window**.

- 11.2 For the purposes of sub-paragraph 11.1, in respect of a **Committed Window** the subject of a **Mandatory Bid**, the applicable **Energy Utilisation Price** for the **Pre-Window Ramping Period** and **Post-Window Ramping Period** shall be that submitted by the **Service Provider** for the **Committed Window**, and not the **Energy Utilisation Price** submitted by the **Service Provider** as part of any **Optional Bid** for the adjacent **STOR Windows**.
- 11.3 For a STOR Unit which is BM Participating, payments to the Service Provider with respect to the provision of STOR in STOR Committed Windows shall be made in respect of each Bid Offer Acceptance in accordance with the Balancing and Settlement Code.
- 11.4 With respect to any **Transfer Period**, and for the avoidance of doubt:-
 - (a) for the purposes of this paragraph 11, the provision of STOR pursuant to the relevant STOR Contract shall be assessed by reference to the STOR Unit(s) Registered to the Secondary Reserve Provider and not to the Primary Reserve Provider's Contracted STOR Unit; and
 - (b) all and any Energy Utilisation Payments accruing due pursuant to this paragraph 11 shall be payable to the Primary Reserve Provider, but for the avoidance of doubt, where the relevant STOR Unit of the Secondary Reserve Provider is BM Participating utilisation payments pursuant to Bid-Offer Acceptances shall be made in accordance with the BSC to



the **Secondary Reserve Provider** and not to the **Primary Reserve Provider** but subject thereto nothing in these **STOR Service Terms** shall create any liability or obligation on the part of **NESO** to make any such payments to the **Secondary Reserve Provider**.

12. Payment Procedure

In respect of each calendar month during which the **Service Provider** has been party to one or more **STOR Contracts**, **NESO** shall send to the **Service Provider** a **Monthly Statement** setting out, in respect of each such **STOR Contract**, its calculation of:-

- (a) the **Reserve Availability Payments** payable to the **Service Provider** pursuant to paragraph 10;
- (b) the **Energy Utilisation Payments** payable to the **Service Provider** pursuant to paragraph 11;
- (c) any adjustments made to previous Monthly Statements; and
- (d) the resulting net amount due to (or from, as the case may be) the Service Provider,

and in respect thereof the provisions of paragraph 4 (*Payments*) of the **STOR General Terms and Conditions** shall apply.

13. Grid Code and Distribution Code

- 13.1 The provision by the **Service Provider** of **STOR** shall not relieve it of any of its obligations or affect such obligations (where applicable) set out in the **Grid Code** (including its obligations (if any) to provide **Mode A Frequency Response** when instructed by **NESO** pursuant to the **CUSC** and/or the **Grid Code**) or to provide **Demand** control when instructed by **NESO** pursuant to **Grid Code** OC6) or in the **Distribution Code** of its host **Public Distribution System Operator**.
- 13.2 Without limiting sub-paragraph 13.1, each **Service Provider** that is or becomes a **DRSC Liable User** shall, for the duration of each **STOR Service Day**, comply in all respects with the **Demand Response Services Code** as it refers to **Demand Response Active Power Control**.

14. Maintenance of Eligible Assets

The Service Provider shall maintain each Eligible Asset to such a standard that the Service **Provider** can meet its obligations to provide STOR in accordance with each STOR Contract and these STOR Service Terms.

15. Third Party Claims

- 15.1 The Service Provider undertakes to NESO that the availability and delivery of STOR from any STOR Unit pursuant to and in accordance with each STOR Contract and these STOR Service Terms (including during any Transfer Period) will not at any time during any STOR Service Day cause the Service Provider to be in breach of or to otherwise be non-compliant with:-
 - (a) its duties (if any) in Section 9 of the Act;
 - (b) the Electricity Safety, Quality and Continuity Regulations 2002 (as amended from time to time) or of any regulations made under Section 29 of the Act or of any other enactment relating to safety or standards applicable in respect of the business of such **Service Provider**;



- (c) any provisions of the Grid Code or (where applicable) the Distribution Code of its host Public Distribution System Operator or make its compliance with any provision of either of these Codes impossible;
- (d) any **Connection Agreement** and/or any agreement for the supply of electricity or related services to or from that **STOR Unit** or any **Eligible Asset** associated with it;
- (e) any provision of its Licence (if any); or
- (f) any restrictions and conditions attaching to relevant authorisations of the **Environment Agency**.
- 15.2 Notwithstanding sub-paragraph 15.1, in the event that the **Service Provider** (or, during any **Transfer Period**. any **Secondary Service Provider**) makes available and/or delivers **STOR** in accordance with these **STOR Service Terms** in consequence of which **NESO** suffers or incurs any loss in respect of a claim brought by any third party related to any actual or alleged breach or non-compliance by the **Service Provider** as described in sub-paragraph 15.1, then the **Service Provider** shall indemnify **NESO** against all and any losses, liabilities, claims, expenses and demands suffered or incurred by **NESO** in connection therewith. Such indemnity shall include any legal costs and expenses reasonably incurred in the contesting of such claims including the court costs and reasonable attorney's fees and other professional advisors' fees. The **Parties** agree and accept that, for the purposes of paragraph 5 (*Limitations on Liability*) of the **STOR General Terms and Conditions**, all such legal costs and expenses expressed to be the subject of such indemnity shall be treated as direct losses.
- 15.3 In the event of any such claim referred to in sub-paragraph 15.2 being made against NESO, NESO shall as soon as reasonably practicable give notice of the claim together with all relevant supporting documentation to the Service Provider. The Service Provider shall be entitled, upon written notice to NESO and subject to NESO receiving from the Service Provider such reasonable undertakings as NESO shall reasonably require to protect NESO against damage to its name and reputation, to assume at its own expense the sole conduct of all proceedings relating to such claim including the right to contest such claim in the name of NESO. NESO shall supply the Service Provider with all information, assistance and particulars reasonably required by the Service Provider in connection therewith. NESO shall not accept, settle, pay or compromise any such claim without the prior written approval of the Service Provider (not to be unreasonably withheld or delayed). The Service Provider shall reimburse to NESO all of its reasonable expenses incurred in connection with the provision of any such information, assistance or particulars in the contesting of any such claim.

16. Provision of Other Services

- 16.1 The Service Provider undertakes to NESO that the availability and delivery of STOR from any STOR Unit pursuant to and in accordance with a STOR Contract and these STOR Service Terms will not at any time during any STOR Service Day (including during any Transfer Period) be impaired or otherwise prejudiced by the Service Provider's (or, during any Transfer Period, any Secondary Service Provider's) performance of any agreement with a third party (including another Service Provider) relating to any Eligible Asset or any associated Plant and Apparatus, including the making available and/or delivery of services to that third party by the Service Provider (whether by way of increases or reductions in Generation or Demand or stipulated running profiles, participation in any other services (including where part of a trial service) or otherwise, and whether to assist in the management, operation or protection of a User System or pursuant to the Capacity Market Rules or otherwise).
- 16.2 Notwithstanding sub-paragraph 16.1, in the event that the **Service Provider** (or, during any **Transfer Period**, any **Secondary Service Provider**) is unable to provide **STOR Day Ahead** (to any



extent) in all or any part of any **STOR Service Day** for any reason described in sub-paragraph 16.1, then the **Service Provider** shall (or shall procure that the **Secondary Service Provider** shall) give a full explanation to **NESO** in its notification of unavailability pursuant to paragraph 4 or 5 (as the case may be), and **NESO** may in its absolute discretion terminate the **STOR Contract** in question pursuant to paragraph 18).

- 16.3 Subject always to sub-paragraph 16.4, and irrespective of whether or not **NESO** elects to terminate the **STOR Contract**, the **Service Provider** hereby agrees to reimburse to **NESO** all and any additional costs and expenses incurred by it as a result of such inability including **NESO**'s additional costs of alternative or replacement service provision.
- 16.4 The amount or amounts for which the **Service Provider** may be liable to reimburse **NESO** pursuant to sub-paragraph 16.3 in respect of any single **STOR Contract** shall not exceed in aggregate the greater of (1) two hundred and fifty thousand pounds sterling (£250,000), and (2) an amount equal to the aggregate **Reserve Availability Payments** payable in respect of that **STOR Contract** for the relevant **STOR Service Day** (ignoring any periods of unavailability and whether or not declared by the **Service Provider**).

17. Communications

- 17.1 Any communications required by these **STOR Service Terms** to be given in writing shall unless otherwise provided in this paragraph 17 be made and deemed to have been received in accordance with paragraph 10 (*Notices*) of the **STOR General Terms and Conditions** save as may be otherwise agreed by the **Parties**.
- 17.2 The **Parties** consent to the recording of all telephone conversations between them relating in whole or in part to these **STOR Service Terms**, and each **Party** agrees to notify its employees of that consent and obtain their consent to that recording if required by **Law**.
- 17.3 Unless otherwise expressly provided in these **STOR Service Terms**, and subject always to subparagraphs 17.4 and 17.5, all communications between the **Parties** (or between **NESO** and the **Service Provider's Agent**) pursuant to these **STOR Service Terms** shall be given:
 - (a) in respect of any STOR Unit which is BM Participating, via EDL/EDT; or
 - (b) in respect of any other STOR Unit, by STOR Despatch.
- 17.4 If, for whatever reason, any method of communication to be used by the **Parties** in accordance with sub-paragraph 17.3 shall at any time become unavailable, then to that extent all declarations, instructions and other communications of whatever nature which concern the availability and utilisation of **STOR** shall be given by such other means as may be agreed between the **Parties**.
- 17.5 Where **STOR Despatch** is for whatever reason unavailable, **NESO** may, in its sole discretion, agree in writing with the **Service Provider** an alternative method of communication provided always that **NESO** may at any time withdraw its agreement to the use of such alternative method of communication by serving notice in writing on the **Service Provider**.
- 17.6 Where STOR Despatch is for whatever reason unavailable and either:-
 - (a) NESO shall not have agreed pursuant to sub-paragraph 17.5 that communications between the Parties pursuant to these STOR Service Terms may be given otherwise than by STOR Despatch; or





(b) **NESO** shall have withdrawn its agreement to the use of an alternative method of communication in accordance with sub-paragraph 17.5,

then:-

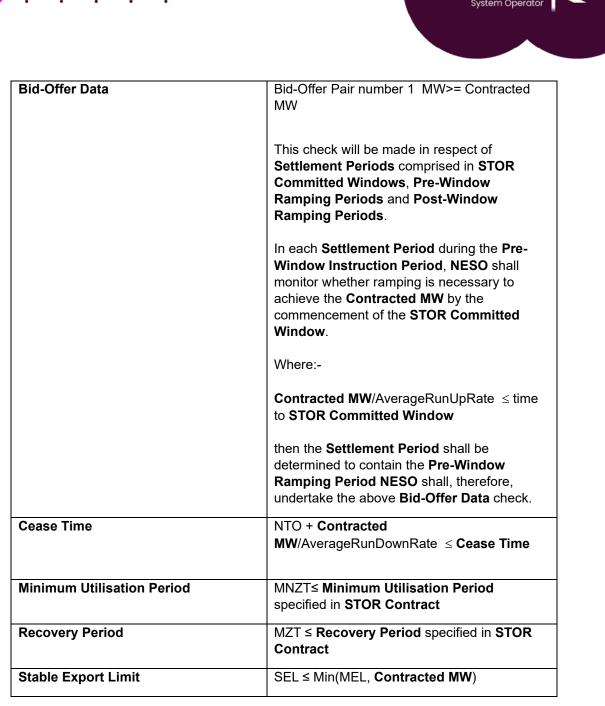
- (c) no **Reserve Availability Payments** shall be paid to the **Service Provider** in respect of the period during which such communications are not being given either by **STOR Despatch** or (where relevant) an alternative means agreed by **NESO** and the **Service Provider** pursuant to sub-paragraph 17.5, and sub-paragraph 17.3 shall be read and construed accordingly; and
- (d) the **Service Provider** shall use its best endeavours to install **STOR Despatch** within a timescale agreed by **NESO** (acting reasonably).

18. Termination of STOR Contracts

In addition to any rights of termination available under the **STOR Procurement Documents**, **NESO** may in its absolute discretion terminate a **STOR Contract** in respect of a **STOR Unit** with immediate effect by notice in writing to the **Service Provider** in the following circumstances:-

- (a) where the **Service Provider** is in breach of a warranty or declaration given under any of the **Registration Documents**;
- (b) where NESO (acting reasonably) determines that the STOR Unit, and/or one or more Eligible Assets comprising the STOR Unit, is not ready for commercial operation and/or delivery of STOR in one or more STOR Service Days; or
- (c) in the circumstances specified in sub-paragraph 16.2.
- 19. Monitoring and Metering
- 19.1 In respect of **STOR Units** which are **BM Participating**:
 - the volume of STOR delivered and the time of delivery of STOR pursuant to Bid-Offer Acceptance(s) shall be monitored by NESO from time to time;
 - (b) the relationship between the **Parties** with respect to **Energy Metering Equipment** shall be regulated by Section L of the **Balancing and Settlement Code**;
 - (c) the relationship between the **Parties** with respect to **Operational Metering Equipment** shall be regulated by sub-paragraph 6.7.3 of the **Connection and Use of System Code**;
 - (d) the availability of STOR from a Contracted STOR Unit shall be verified by NESO by (inter alia) monitoring certain BM Unit Data and the carrying out of certain checks as described in the table below:

Service Criteria	Parameter(s)
Availability of STOR from STOR Unit or the Secondary Provider's STOR Unit	MEL ≥ Contracted MW Physical Notification ≤ zero
during a Transfer Period	
Response Time	NDZ + Contracted MW/AverageRunUpRate ≤ Response Time



(e) the delivery of **STOR** from a **STOR Unit** shall be verified by **NESO** by (inter alia) monitoring certain **BM Unit Data** and the carrying out of certain checks as described in the table below:

Service Criteria	Check(s)
Delivery of STOR within the Response Time	Metering data for the Settlement Period in which the Response Time ends following an instruction to commence delivery of STOR in accordance with a Bid-Offer Acceptance with respect to the STOR Unit or the Secondary Reserve Provider's STOR Unit during a Transfer Period



Total energy (volume) delivered as STOR for each utilisation	Metering data for the STOR Unit or the Secondary Reserve Provider's STOR Unit during a Transfer Period in respect of the instructed period of delivery of STOR in accordance with Bid-Offer Acceptance(s)
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- 19.2 In respect of **STOR Units** which are not **BM Participating**:
 - (a) the Service Provider's provision of STOR and the amount of STOR provided shall be monitored, metered and determined by reference to the metering data communicated by the Service Provider to STOR Despatch and for such purpose the Service Provider shall procure the provision to NESO of accurate real time metering data at a frequency of not less than every fifteen (15) seconds;
 - (b) where STOR Despatch is unavailable for the purposes of monitoring and metering of the Service Provider's provision of STOR, the Service Provider shall procure the provision of alternative metering data which is satisfactory to NESO by not later than five calendar days after the STOR Service Day on which STOR was provided, and NESO may (where alternative metering data which is satisfactory to NESO is not available) at its discretion withhold Reserve Availability Payments (where applicable) and/or Energy Utilisation Payments in respect of the period during which STOR Despatch is unavailable for the purposes of such monitoring and metering;
 - (c) the **Parties** hereby agree to be bound with respect to each other by the terms of the **STOR Despatch Procedure** as if the same were set out in full in these **STOR Service Terms**;
 - (d) in the event of a conflict between the provisions of these STOR Service Terms and the provisions of the STOR Despatch Procedure, the provisions of these STOR Service Terms shall prevail;
 - (e) NESO shall for the purposes of complying with the ABSVD Methodology Statement determine the capped delivery volume for the STOR Unit and notify this to the Service Provider by not later than twenty (20) Days after the STOR Service Day;
 - (f) the **Service Provider** shall determine the capped delivery volume for the **STOR Unit** by reference to the **MSID Pairs** associated with the **STOR Unit** and notify that data to **NESO** by not later than thirty-five (35) **Days** after the **STOR Service Day**;
 - (g) NESO shall validate the data provided by the Service Provider under paragraph (e) and submit it to the SVAA as part of the MSID Pair Data in accordance with Section Q of the BSC by not later than forty-two (42) Days after the STOR Service Day;
 - (h) for the purposes of this sub-paragraph 19.2, "capped delivery volume" means either:-
 - during periods where the STOR Unit is ramping (as defined by the Contracted MW or Optional MW and Run-Up Rates and Run-Down Rates), the volume of STOR energy (MWh) delivered (being a volume not greater than the Contracted MW or the Optional MW (as the case may be) multiplied by the number of hours comprised in this Instruction segment multiplied by 0.5), by either the increase in Generation or reduction in Demand by STOR Unit in the Settlement Period / part Settlement Period, in accordance with an Instruction, as determined by metering pursuant to sub-paragraph 19.2(a); or





- (ii) otherwise, the volume of STOR energy (MWh) delivered (being a volume not greater than the Contracted MW or the Optional MW (as the case may be) multiplied by the number of hours comprised in this instruction segment multiplied by 0.5), by either the increase in Generation or reduction in Demand by the STOR Unit in the Settlement Period / part Settlement Period, in accordance with an Instruction, as determined by metering pursuant to sub-paragraph 19.2(a);
- (i) the **Service Provider** shall notify **NESO** of the metering system identifiers for the relevant **STOR Unit** for the purposes of implementing the **ABSVD Methodology Statement**; and
- (j) during any **Transfer Period** this sub-paragraph 19.2 shall apply to the **Secondary Reserve Provider** and its designated **STOR Unit**(s).

20. Transfer of STOR Contracts

- 20.1 At any time during the subsistence of a **STOR Contract**, a **Service Provider** ("the **Primary Service Provider**") may nominate another **Registered STOR Participant** ("the **Secondary Service Provider**") to discharge its obligations to **NESO** with respect to the delivery of **Response** in **STOR Service Day**(s) pursuant to that **STOR Contract**.
- 20.2 The effect of any such nomination once validated by **NESO** pursuant to this paragraph 20 is to monitor availability and submitted parameters, and treat delivery of **STOR** from one or more **STOR Units** registered to the **Secondary Service Provider** as if made and delivered by the **Primary Service Provider** from its **STOR Unit** for the purposes of these **STOR Service Terms**.
- 20.3 No nomination shall be valid unless:-
 - (a) both entitles are Registered STOR Participants;
 - (b) the Secondary Service Provider has Eligible Assets which are Registered to it and allocated to one or more STOR Units pursuant to the STOR Participation Guidance Document with sufficient aggregate Maximum Registered STOR Capacity and proven capability to deliver STOR to enable the STOR Contract to be discharged during the applicable STOR Service Day;
 - (c) the specified Transfer Period during which the nomination is to be effective is a period which comprises the entire STOR Service Day created by a subsisting STOR Contract to which the Primary Service Provider is a party; and
 - (d) the nomination is validly notified to **NESO** pursuant to sub-paragraphs 20.4, 20.5 and 20.6 and the **Transfer Notice** validated by **NESO**.

Transfer Notices

- 20.4 Each nomination shall be notified to **NESO** by the **Primary Service Provider** by no later than ninety (90) minutes prior to commencement of the applicable **STOR Service Day**, and each such nomination is referred to in these **STOR Service Terms** as a "**Transfer Notice**".
- 20.5 Unless otherwise stipulated in the **STOR Participation Guidance Document**, each **Transfer Notice** shall comprise the entirety of a **STOR Service Day**, and shall specify:-
 - (a) the identity of the Primary Service Provider and STOR Unit; and

- NESO National Energy System Operator
- (b) the identity of the **Secondary Service Provider** and its **STOR Unit**(s) and **Eligible Assets**.
- 20.6 Each nomination shall comprise the entire **Contracted MW** associated with the **STOR Contract** during the relevant **Transfer Period**, and for the avoidance of doubt the **Contracted MW** shall not be capable of being split amongst two or more **Secondary Service Providers**.
- 20.7 In giving a **Transfer Notice**, the **Primary Service Provider** warrants that the **Secondary Service Provider** accepts the nomination.
- 20.8 **NESO** shall notify the **Primary Service Provider** as soon as reasonably practicable following receipt of the **Transfer Notice** whether or not the **Transfer Notice** has been validated. In the absence of any notification by **NESO** of validation of the **Transfer Notice** by commencement of the relevant **STOR Service Day** the **Transfer Notice** shall be deemed not to have been validated.
- 20.9 Where in **NESO**'s reasonable opinion the delivery of **STOR** pursuant to the **STOR Contract** during the **Transfer Period** by the **Secondary Service Provider**'s designated **STOR Unit(s)** would or might endanger operational security within the meaning of the **System Operator Guidelines**, then **NESO** shall so notify both **Registered STOR Participants** whereupon the **Transfer Notice** shall be deemed withdrawn.
- 20.10 A **Transfer Notice** shall be invalid if the **Secondary Service Provider**'s designated **STOR Unit** or any **Eligible Asset** allocated to it is the subject of a **STOR Contract** for the same **STOR Service Day**, in which case **NESO** shall so notify both whereupon the **Transfer Notice** shall be deemed withdrawn.

Cancellation Notice

20.11 A **Transfer Notice** may be cancelled by the **Primary Service Provider** (but not under any circumstances by the **Secondary Service Provider**) by no later than ninety (90) minutes prior to the start of the **STOR Committed Window** and by notification to **NESO** in writing ("**Cancellation Notice**") specifying the date and time form which the cancellation is to be effective.

Effect of Transfer Notice

- 20.12 For the duration of each **Transfer Period** (or any earlier period where the **Transfer Period** comes to an end pursuant to the foregoing provisions), and subject always to sub-paragraph 20.13, **NESO** consents to the **Primary Service Provider**'s obligation to deliver **STOR** pursuant to the relevant **STOR Contract** being discharged on its behalf by the **Secondary Service Provider** from its **STOR Unit(s)**.
- 20.13 The Parties further acknowledge and agree that, for the duration of each Transfer Period:-
 - (a) paragraph 4 (Service Availability **Committed Windows** (**Mandatory Availability Declarations Contracted STOR Units Only**)) shall be varied as follows:-

all Non-BM Data Submissions and BM Unit Data shall be submitted by the Secondary Service Provider with respect to the STOR Unit(s) designated by it pursuant to subparagraph 20.5, and the Secondary Service Provider shall observe and perform all obligations of the Primary Service Provider contained therein as if references to Service Provider and Contracted STOR Unit were to the Secondary Service Provider and such Contracted STOR Unit(s);

(b) paragraph 6 (Service Instruction) shall be varied as follows:

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all and any **Instructions** and **Bid-Offer Acceptances** shall be issued by **NESO** to the **Secondary Service Provider**, and the **Secondary Service Provider** shall observe and perform all obligations of the **Primary Service Provider** contained therein as if references to **Service Provider** and **STOR Unit** were to the **Secondary Service Provider** and the **STOR Unit(s)** designated by it pursuant to sub-paragraph 20.5;

(c) paragraph 7 (Service Delivery - Non-BM Participating only) shall be varied as follows:-

the **Secondary Service Provider** shall observe and perform all obligations of the **Service Provider** contained therein as if references to the **Service Provider** and the **STOR Unit** were to the **Secondary Service Provider** and the **STOR Unit(s)** designated by it pursuant to sub-paragraph 20.5; and

(d) paragraph 8 (Service Delivery – BM Participating only) shall be varied as follows:-

the **Secondary Service Provider** shall observe and perform all obligations of the **Service Provider** contained therein as if references to the **Service Provider** and the **STOR Unit** were to the **Secondary Service Provider** and the **STOR Unit(s)** designated by it pursuant to sub-paragraph 20.5; and

(e) in paragraph 9 (Events of Default):-

all references to the **Service Provider** and **STOR Unit** in the tables in sub-paragraphs 9.1 and 9.2 shall be read and construed as a reference to the **Secondary Service Provider** and its designated **STOR Unit**(s), and shall in the circumstances specified therein cause or contribute towards **Events of Default** in relation to the **Primary Service Provider**.

Form of notifications

20.14 All **Transfer Notices** and **Cancellation Notices** and other notifications related thereto between the **Parties** referred to in this paragraph 20 shall be made using the method of communication specified from time to time by **NESO**.



SCHEDULE 1 - RESERVE AVAILABILITY PAYMENTS

Calculation of Settlement

Value

For payments to be made by **NESO** to a **Service Provider** for **STOR Committed Windows** with respect to a **STOR Unit** which is not **BM Participating**, the payment formula is:

$$AF_{sm} = \sum_{j \in M_m} \left(AP_{sj} \times 0.5 \times CM_{sj} \times FF_{sj} \times FM_{sj} \right)$$

ltem	Description	Data Source
APsj	Availability Price	the clearing price (£/MW/h) for that STOR Service Day derived under and in accordance with the STOR Auction Rules (price to 2 decimal places)
CMsj	Contracted MW	STOR Bid (Whole MW)
FFsj	Availability Flag	this has a value of 0 if in the relevant Settlement Period the Contracted Unit is deemed unavailable for STOR pursuant to these STOR Service Terms (except where due to an event of Force Majeure), else 1
FMsj	Force Majeure Flag	this has a value of 0 if in the relevant Settlement Period the Contracted Unit is deemed unavailable for STOR pursuant to these STOR Service Terms where due to an event of Force Majeure), else 1.

For payments to be made by **NESO** to a **Service Provider** for **STOR Committed Windows** with respect to a **STOR Unit** which is **BM Participating**, the payment formula is:

$$AF_{im} = \sum_{C \in M_m} \left(Max \begin{bmatrix} \sum_{j \in C_m} (AP_{ij} \times 0.5 \times CM_{ij} \times FF_{ij} \times FM_{ij}) - \\ \sum_{j \in C(m)} (AP_{ij} \times 0.5 \times CM_{ij} \times (Max[XF_{ij}, XM_{ij}]), 0 \end{bmatrix} \right)$$

Item	Description	Data Source
APij	Availability Price	the clearing price (£/MW/h) for that STOR Service Day derived under and in accordance with the STOR Auction Rules (price to 2 decimal places)
CMij	Contracted MW	STOR Bid (Whole MW)
FFij	Availability Flag	this has a value of 0 if in the relevant Settlement Period the Contracted Unit is deemed unavailable for STOR pursuant to



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		these STOR Service Terms (except where due to an event of Force Majeure), else 1
FMsj	Force Majeure Flag	this has a value of 0 if in the relevant Settlement Period the Contracted Unit is deemed unavailable for STOR pursuant to these STOR Service Terms where due to an event of Force Majeure), else 1
XFij	Pre/Post-window Compliance Flag	IBOD failure incurred in a Pre-Window Ramping Period or Post-Window Ramping Period . Note the Reserve Availability Payment for a STOR Committed Window cannot be reduced to less than zero by operation an Event of Default occurring in a Pre-Window Instruction Period or Post-Window Ramping Period .
XMij	Pre-window Force Majeure Flag	this has a value of 0 if in the relevant Settlement Period STOR is deemed unavailable for STOR pursuant to these STOR Service Terms where due to an event of Force Majeure), else 1



SCHEDULE 2 – ENERGY UTILISATION PAYMENTS

Calculation of Settlement

Value

For **Energy Utilisation Payments** to be made by **NESO** to a **Service Provider** with respect to a **STOR Unit** which is not **BM Participating**, and for **Committed STOR Windows** and **Optional STOR Windows**, the payment formula is:

$$UF_{sm} = \sum_{j \in M_m} (R_{sj} \times EP_{sj})$$

Where

- *UF_{sm}* is the settlement value for **STOR** calculated in respect of **STOR Unit** *s* for the relevant **STOR Service Day**
- $\sum_{j \in M_m}$ is the summation over all Settlement Periods *j*, in the set M_m of Settlement Periods in STOR

Committed Windows and STOR Optional Windows (as applicable)

- R_{sj} is either:-
 - (1) during periods where the STOR Unit s is ramping (as defined by the Contracted MW or Optional MW and consistent with the Pre-Window Ramping Period and Post-Window Ramping Period), the volume of Reserve energy (MWh) delivered in accordance with an Instruction by either the increase in Generation or reduction in Demand by STOR Unit s in the Settlement Period / part Settlement Period j and being a volume not greater than the Contracted MW or Optional MW (as the case may be) multiplied by the number of hours comprised in this Instruction segment) multiplied by 0.5; or
 - (2) otherwise, the volume of **Reserve** energy (MWh) delivered in accordance with an **Instruction** by either the increase in **Generation** or reduction in **Demand** by **STOR Unit s** in the **Settlement Period** / part **Settlement Period** j and being a volume not greater than the **Contracted MW** or **Optional MW** (as the case may be) multiplied by the number of hours comprised in this instruction segment),

in each case as determined by metering pursuant to sub-paragraph 19.2. For the avoidance of doubt the **Instruction** will be segmented and **Reserve** delivery MWh capped at the volume instructed for:-

- (a) each Settlement Period; and
- (b) each sub-Settlement Period where the STOR Unit transitions from a contracted ramping to a non-ramping period or vice versa, and between STOR Committed Windows and STOR Optional Windows
- EP_{sj} is the Energy Utilisation Price (£/MWh), applicable to each of the Settlement Periods *j* in the relevant STOR Window (and in the case of a STOR Committed Window, in each Settlement Period



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falling in the associated **Pre-Window Ramping Period** and **Post-Window Ramping Period**), for **STOR Unit** s

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