

SCHEDULE 2 – EXHIBIT1A

DATED[]

NATIONAL GRID ELECTRICITY SYSTEM OPERATOR LIMITED (1)

and

[] (2)

AGREEMENT TO VARY THE
BILATERAL CONNECTION AGREEMENT
FOR [] SUBSTATION

REF: []

THIS AGREEMENT TO VARY is made on the [] day of [] 20[]

BETWEEN

- (1) **NATIONAL GRID ELECTRICITY SYSTEM OPERATOR LIMITED**, a company registered in England and Wales with number 11014226 whose registered office is at 1 – 3 Strand, London, WC2N 5EH ("**The Company**", which expression shall include its successors and/or permitted assigns); and
- (2) [] **PLC** a company registered in [] with number [] whose registered office is at [] ("**User**", which expression shall include its successors and/or permitted assigns).

WHEREAS

- (A) Pursuant to the **Transmission Licence**, **The Company** has prepared a **Connection and Use of System Code ("CUSC")** setting out the terms of the arrangements for connection to and use of the **National Electricity Transmission System** and the provision of certain **Balancing Services**.
- (B) **The Company** and the **User** are parties to the **CUSC Framework Agreement** being an agreement by which the **CUSC** is made contractually binding between parties.
- (C) In accordance with the **CUSC** **The Company** and the **User** entered into a **Bilateral Connection Agreement** (the "**Bilateral Connection Agreement**") reference no [] brought into effect on the [] in respect of its connection to the **National Electricity Transmission System**.
- (D) in accordance with **CUSC** Paragraph 6.5.1 (Evaluation of Transmission Impact) the **User** has notified **The Company** of the **Relevant Embedded Power Stations** (as defined below) which are intending to connect to its **Distribution System**.
- (E) Recognising the volume and volatility of requests for connection to the **Distribution System** and the resulting need for **The Company** to consider the effect of this on the **National Electricity Transmission System**, **The Company** and the **User** have agreed a process to better manage this as between themselves (the "**Transmission Impact Assessment Process**").
- (F) This **Transmission Impact Assessment Process** is used by **The Company** to identify (by reference to the concept of a **Planning Limit** and a **Materiality Trigger**) the **Relevant Embedded Power Stations** where the effect on the

National Electricity Transmission System of the **Energisation** of such **Relevant Embedded Power Stations** to the **Distribution System** can be (a) accommodated subject to **Site Specific Requirements** and/or (b) accommodated with **Construction Works** on the **National Electricity Transmission System** but which can be **Energised** prior to completion of such works in accordance with the general principles of a **Design Variation** or (c) cannot be accommodated until the completion of works on the **National Electricity Transmission System**.

- (G) **The Company** and the **User** have now agreed to enter into this Agreement in order to amend the terms of the **Bilateral Connection Agreement** to reflect the **Transmission Impact Assessment Process** and provide for the **Energisation** of the **Relevant Embedded Power Stations**.

NOW IT IS HEREBY AGREED as follows:-

- 1 Unless the subject matter or context requires or is inconsistent therewith terms and expressions defined in Section 11 of the **CUSC** and in the **Bilateral Connection Agreement** have the same meanings, interpretations or constructions in this Agreement.
- 2 The **Bilateral Connection Agreement** shall be varied with effect from the date hereof as follows:-
 - 2.1 Appendix G (Developers and Relevant Embedded Power Stations) attached to this Agreement shall be annexed to the **Bilateral Connection Agreement** and the Contents Page amended accordingly.
 - 2.2 The following definitions shall be added at Clause 1 of the **Bilateral Connection Agreement**.

Developer Capacity

in the context of this **Bilateral Connection Agreement** shall mean the MW figure for each **Relevant Embedded Power Station** as identified in Appendix G Schedule 1.

Developers

in the context of this **Bilateral Connection Agreement** shall mean the developers of the **Relevant Embedded Power Stations** as identified in Appendix G Schedule 1.

Materiality Trigger means the figure, provided by **The Company** to the **User** of capacity that reasonably requires the submission of updated technical data from the **User** to **The Company** to facilitate a technical review in accordance with the **Transmission Impact Assessment Process**

Planning Limit means a figure, provided by **The Company** to the **User** which represents capability of the **National Electricity Transmission System**.

Relevant Embedded Power Stations in the context of this **Bilateral Connection Agreement** shall mean those **Relevant Embedded Medium Power Stations** and **Relevant Embedded Small Power Stations** identified as such in Appendix G Schedule 1.

Technical Limitations any technical limitations at the **Connection Site** as specified in Appendix G Schedule 1 Part 2.

Total MWs means the figure specified as such in Appendix G Schedule 1 Part 2.

2.5 The following shall be added as Clause [] of the Bilateral Connection Agreement and the Contents Page amended accordingly

[] **Transmission Impact Assessment Process**

[].1 **The Company** and the **User** have agreed a process utilising **Transmission Impact Assessment** (as detailed in Appendix G to this Bilateral Connection Agreement) to manage the **Relevant Embedded Power Stations** which require an **Evaluation of Transmission Impact** assessment by **The Company** under CUSC Paragraph 6.5.1.

[].2 For the purposes of CUSC Paragraph 6.5.1(c), **Embedded Small Power Stations** of []MW and above will be deemed to be a **Relevant Embedded**

Small Power Station unless otherwise notified by **The Company** in accordance with CUSC Paragraph 6.5.1(b).

- [].3 The intent and structure of Appendix G Schedule 1, which identifies the **Relevant Embedded Power Stations** which have contracts with the **User** to connect to the **Distribution System** and the specific terms that apply to such **Relevant Embedded Power Stations** (including whether it is the subject of a **Construction Agreement**), is explained in Appendix G Schedule 2.
 - [].4 The provisions in Appendix G Schedule 2 set out the process through which the **User** can add **Relevant Embedded Power Stations** to Appendix G Schedule 1.
 - [].5 The **Transmission Impact Assessment Process** envisages and is designed such that Appendix G Schedule 1 is revised and updated and this **Bilateral Connection Agreement** shall be read and construed by reference to the relevant revision of Schedule 1.
 - [].6 The **User** will provide **The Company** with regular updates (as agreed by both parties but no fewer than one every 6 months) to the **Relevant Embedded Power Stations** set out in Schedule 1 of Appendix G in accordance with the requirements set out in Schedule 2 of Appendix G.
 - [].7 **The Company** shall validate the updates provided by the **User** under paragraph [].6 in accordance with the requirements of Schedule 2 of Appendix G. Should the update not meet the requirements of Schedule 2 of Appendix G, The Company shall discuss resolution with the **User** and be eligible to charge a validation fee as per **The Company's Statement of Use of System Charges** to the **User**. Payment of the validation fee shall be due 28 calendar days from **The Company** issuing an invoice to the **User**.
 - []. 8 **The Company** shall be entitled to revise Appendix G Schedule 1 as provided for in the **Transmission Impact Assessment Process**
- 2.6 At Clause 8 (Compliance with Site Specific Technical Conditions) of the **Bilateral Connection Agreement** the following shall be introduced as Clause 8.2 and the previous Clause renumbered as Clause 8.1.
- 8.2 In the context of connection of **Generation** to the **Distribution System**, unless otherwise agreed with **The Company** (and recognising that this may

require a **Modification** at the **Connection Site**), the **User** shall not exceed the **Technical Limitations** at the **Connection Site**.

2.7 The following shall be added as Clause 8.3 of the **Bilateral Connection Agreement**.

8.3 In respect of each **Relevant Embedded Power Station** and in each case prior to **Energising** the connection of that **Relevant Embedded Power Station** to the **Distribution System** the **User** shall ensure that the Site Specific Requirements set out in Appendix F5 (Part 11) identified as applicable to that **Relevant Embedded Power** are in place.

3 **CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

The parties hereto hereby acknowledge and agree for the purposes of the Contracts (Rights of Third Parties) Act 1999 that no rights, powers or benefits are or shall be conferred on any person pursuant to this Agreement except for such rights, powers or benefits as are expressly conferred on the parties hereto in accordance with, and subject to, its terms.

IN WITNESS WHEREOF the hands of the duly authorised representatives of the parties hereto at the date first above written

NATIONAL GRID ELECTRICITY SYSTEM OPERATOR LIMITED)
By)
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By)
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