

**DATED** \_\_\_\_\_ **2022**

**NATIONAL GRID ELECTRICITY SYSTEM OPERATOR LIMITED**

and

**[Company name]**

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

at

**[Site name]**

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

**Subject to Contract**

**Draft v.1.0**

## CONTRACT FORM

### Parties:

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

### Background:

The **Company** issued an Invitation to Tender (“**ITT**”) for the NOA Stability Pathfinder, Phase 3 on 20 December 2021 for the provision of a stability compensation service and the **Provider** has submitted a tender for the provision of such service from its **Facility** that has been accepted by the **Company**.

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

### Part 1 – Conditions Precedent

1. [The <b>Provider</b> or (where applicable) its agent or contractor having applied to Elexon Limited to become a <b>BSC Party</b> <sup>1</sup> ].	
2. [The <b>Provider</b> having made an application for the connection of its site in accordance with the provisions of <b>CUSC</b> <sup>2</sup> ].	
3. [Delivery by the <b>Provider</b> to the <b>Company</b> of <b>Acceptable Security</b> for an amount equal to the <b>Secured Amount</b> <sup>3</sup> ].	

<sup>1</sup> New build plant only. All Providers must confirm accession to the BSC and registration of the Facility as a BM Unit in accordance with Clause 3.5 of the GTCs. If the Provider’s Facility comprises a number of BM Units and the Provider wishes to use more than one unit to provide the service, this contract form will need to be adapted.

<sup>2</sup> New build plant only. All Providers must confirm accession to the CUSC and entry into a Bilateral Agreement in accordance with Clause 3.5.

<sup>3</sup> If required by the tender rules.

## Part 2 - The Facility

<b>Facility:</b>	[ ]
<b>Type of Facility:</b>	<b>New Build Facility/Existing Facility</b> *4
<b>Grid Forming Capability:</b>	<b>[GBGF-I/GBGF-S]</b> <sup>5</sup> Plant
<b>Retiring Modified Facility</b> <sup>6</sup> :	Yes/No <sup>7</sup>
<b>Relevant Facility:</b>	Yes/No <sup>8</sup>
<b>Confirmation Time:</b>	
<b>Contract Rate:</b>	£[ ]/Settlement Period
<b>Contracted Inertia Capability:</b>	[ ]MW/s
<b>Contracted SCL Capability:</b>	[ ]MVA
<b>Scheduled Commercial Operations Date:</b>	[ ]
<b>Synchronising Time:</b>	[ ]minutes
<b>Target Availability for Contracted Inertia Capability</b>	90%
<b>Target Availability for Contracted SCL Capability</b>	90 %

<sup>4</sup> Delete as appropriate. For new builds, the Post Tender Milestone provisions will be applicable.

<sup>5</sup> Delete as appropriate

<sup>6</sup> For GBGF-S Plant constituting a Modified Facility only – delete if not relevant

<sup>7</sup> Delete as appropriate

<sup>8</sup> Delete as appropriate – a “Relevant Facility” is subject to potential Delayed Enabling Works

**Contracted Reactive Capability:**

Purpose	GEP Voltage (pu)	Active Power condition (if applicable)	MW at GEP	Lead MVar at GEP (absorption: -ve)	Lag MVar at GEP (injection: +ve)
Required service (for <b>GBGF-I</b> and <b>GBGF-S</b> )	0.95	Maximum MW export			
		0 MW			
		Maximum MW import			
	1	Maximum MW export			
		0 MW			
		Maximum MW import			
	1.05	Maximum MW export			
		0 MW			
		Maximum MW import			
Required Service for <b>GBGF-I</b> only	0.9	Maximum MW export			
		0 MW			
		Maximum MW import			
For <b>GBGF-S</b> this is only for information	1.1	Maximum MW export			
		0 MW			
		Maximum MW import			

**Excitation and voltage control:** [paragraph 2 (generator/interconnector)] [paragraph 3 (Demand or 0MW connection)], Part B of Schedule C applies.<sup>9</sup>

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<sup>9</sup> Delete as appropriate.

**Part 3 – Reactive Meter Details**

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

## Part 4 – Post Tender Milestones

### Post Tender Milestones<sup>10</sup>

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

<sup>10</sup> These Milestones are indicative and should be refined in the Tender Submission

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

## Part 5 – Notices

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

National Grid Electricity System Operator Limited

Faraday House

Warwick Technology Park

Gallows Hill

Warwick CV34 6DA

Facsimile number: 01926 656613

For the attention of: the Company Secretary

Copy to: Head of Markets

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

[*Company name*]

[*Company Address*]

Facsimile number: [ ]

For the attention of: [ ]

Operational telephone contact number [ ]

Operational contact [ ]

## Part 6 - Special Conditions

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



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