**DATED 202[ ]**

**NATIONAL ENERGY SYSTEM OPERATOR LIMITED**

and

**[Company name]**

**LOCAL CONSTRAINT MARKET**

**FRAMEWORK AGREEMENT**

**Contract Log No:**

© National Energy System Operator Limited

**THIS LCM FRAMEWORK AGREEMENT** is made on the                     of                    20[ ]

**BETWEEN:**

1. **NATIONAL ENERGY SYSTEM OPERATOR LIMITED** a company registered in England with number 11014226 whose registered office is at **St Catherine's Lodge Bearwood Road, Sindlesham, Wokingham, England, RG41 5BN** (“**NESO**”, which expression shall include its successors and/or permitted assigns); and
2. **[PROVIDER]** a company registered in England with number [ ] whose registered office is [ ] (“**Service** **Provider**”, which expression shall include its successors and/or permitted assigns),

(each a “**Party**” and together, the “**Parties**”).

**WHEREAS:**

1. **NESO** has published on its website a document entitled “Local Constraint Market Service Terms” (“**Service Terms**”) which may be amended from time to time in accordance with its terms, together with documents entitled “Local Constraint Market Glossary of Terms and Rules of Interpretation” (“**Glossary**”) and “Local Constraint Market General Terms and Conditions” (“**GTCs**”), each of which is referred to in the **Service Terms**.
2. The **Service Provider** has agreed to undertake to comply with the **Service Terms** in connection with its participation in the **Local Constraint Service**.
3. **NESO** intends to procure **Generation Turn Down** and **Demand Turn Up** using the **Platform** and the **Service Provider** has registered as a Flex Provider (as defined in the **Platform Provider Conditions**) in accordance with the **Platform Provider Conditions** together with detailsof its **Eligible Assets** .
4. This **LCM Framework Agreement** is entered into in anticipation of the submission by the **Service Provider** of **LCM Declarations**.

**NOW IT IS HEREBY AGREED** as follows:

1. DEFINITIONS, INTERPRETATION AND CONSTRUCTION

Unless the subject matter or context otherwise requires or is inconsistent therewith, and unless defined herein, terms and expressions defined in the Glossary have the same meanings, interpretations or constructions in this LCM Framework Agreement.

1. service TERMS
   1. The **Parties** hereby agree to be bound by, and to comply with, the applicable provisions of the **Service Terms** and the **Platform Provider Conditions** with respect to the submission of **LCM Declarations** and any contract formed pursuant thereto.
2. COMMENCEMENT AND TERM

This **LCM Framework Agreement** shall come into force on the date hereof and shall continue in force and effect until terminated by either **Party** by not less than two (2) months notice in writing to the other or until earlier termination in accordance with the **Service Terms**.

1. PROVISION OF SERVICES

Without limiting the generality of Clause 2.1, upon the acceptance of **Offered Service Volumes** pursuant to and in accordance with the **Service Terms**, the **Service** **Provider** hereby agrees to provide **Generation Turn Down** or **Demand Turn Up** (as the case may be) to **NESO** upon and subject to the applicable terms and conditions set out in the **Service Terms**.

1. UNDERTAKING OF BONA FIDE TENDER AND NON-CANVASSING
   1. The **Service** **Provider** hereby undertakes that each **LCM Declaration** which it may submit shall be bona fide and intended to be competitive and that the **Provider** shall not fix or adjust the amount of the **Offered Service Volume** or the **Service Utilisation Fee** quoted by or under or in accordance with any agreement or arrangement with any other person.
   2. The **Service** **Provider** also undertakes that neither it, nor any person on its behalf, shall do at any time any of the following acts:-
      1. communicate to a person, with the exception of its professional advisers and **NESO**, the details of any **Offered Service Volume** or **Service Utilisation Fee**;
      2. enter into any agreement or arrangement with any other person to restrain that other person from submitting a **LCM Declaration** or to fix the amount of any **Offered Service Volume** or **Service Utilisation Fee** to be submitted by that other person;
      3. offer or agree to pay or to give, nor pay or give, any sum of money, inducement or valuable consideration directly or indirectly to any person for doing or having done or causing or having caused to be done any act or omission in relation to any **LCM Declaration** or proposed **LCM Declaration**;
      4. canvass or solicit any officer, employee or agent of **NESO** in connection with any **LCM Declaration**.
2. WARRANTY
   1. Each Party warrants and represents to the other that it has full power and authority to enter into this LCM Framework Agreement and perform its obligations hereunder.
3. VARIATIONS
   1. No variation to this LCM Framework Agreement shall be effective unless made in writing and signed by or on behalf of both NESO and the Provider.
   2. **NESO** and the **Provider** shall effect any amendment required to be made to this **LCM Framework** **Agreement** by the **Authority** as a result of a change in the **Transmission Licence** or an order or directions made pursuant to the **Act** or a **Licence** or as a result of settling any of the terms hereof or otherwise as required by this **LCM Framework** **Agreement** and the **Provider** hereby authorises and instructs **NESO** to make any such amendment on its behalf and undertakes not to withdraw, qualify or revoke such authority or instruction at any time.
4. NOTICES

For the purposes of this **LCM Framework Agreement**, unless and until otherwise notified by the relevant **Party** to the other in accordance with the **Service Terms**, any notice or other communication to be given by **NESO** or the **Provider** to the other under, or in connection with matters contemplated by, this **LCM Framework Agreement** shall be sent to the address and/or facsimile number and marked for the attention of the person named in the Schedule.

1. COUNTERPARTS

This **LCM Framework Agreement** may be signed in any number of counterparts and by the **Parties** on separate counterparts, each of which when signed shall constitute an original but all the counterparts shall together constitute but one and the same instrument. The delivery of an electronic copy of a signed counterpart of this **LCM Framework Agreement** shall be deemed to be a valid signature thereof provided that the **Party** so delivering an electronic copy hereby undertakes to deliver an original copy of this **LCM Framework Agreement** forthwith following delivery of the electronic copy.

1. GOVERNING LAW AND JURISDicTION
   1. This **LCM Framework Agreement** shall be governed by and construed in all respects in accordance with the laws of England and Wales.
   2. Subject and without prejudice to the provisions of the **Service Terms**, both **Parties** irrevocably agree that the courts of England and Wales are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this **LCM Framework** **Agreement** and that accordingly any suit, action or proceeding (together hereinafter referred to as “**Proceedings**”) arising out of or in connection with this **LCM Framework** **Agreement** may be brought to such courts.
   3. Each **Party** irrevocably waives any objection which it may have now or hereafter to the laying of the venue of any **Proceedings** in any such court as is referred to in this Clause and any claim that any such **Proceedings** have been brought in an inconvenient forum. Each **Party** irrevocably agrees that judgment in any proceedings brought in the courts of England and Wales shall be conclusive and binding upon such **Party** and may be enforced in the courts of any other jurisdiction.

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

|  |  |
| --- | --- |
| **Signed for and on behalf of NATIONAL ENERGY SYSTEM OPERATOR LIMITED by [ ]:** |  |
| **Dated:** |  |
|  |  |
| **Signed for and on behalf of [ ] LIMITED by [ ]:** |  |
| **Dated:** |  |

**THE SCHEDULE**

**Notices**

**NESO’s** address for service of Notices:

National Energy System Operator Limited

Faraday House

Warwick Technology Park

Gallows Hill

Warwick CV34 6DA

Facsimile number: 01926 656613

Email: Commercial.Operation@nationalgrideso.com

For the attention of: the Company Secretary

Copy to: Head of Markets

National Energy System Operator Limited

Faraday House

Warwick Technology Park

Gallows Hill

Warwick CV34 6DA

Email: Commercial.Operation@nationalgrideso.com

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

[*Company name*]

[*Company Address*]

Facsimile number: [ ]

Email: [ ]

For the attention of: [ ]

Operational telephone contact number [ ]

Operational contact [ ]