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**INTERCONNECTORS**  
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**CUSC - SECTION 9**  
**INTERCONNECTORS**

**9.1 INTRODUCTION**

This Section 9 of the **CUSC** deals with **Interconnectors** other than **Distribution Interconnector Owners** (which are dealt with in Section 3). Part I provides for connection to the **National Electricity Transmission System** by an **Interconnector Owner** and Part II for use of the **National Electricity Transmission System** by **Interconnector Users** and **Interconnector Error Administrators**.

**PART I - CONNECTION TO THE NATIONAL ELECTRICITY TRANSMISSION SYSTEM BY INTERCONNECTOR OWNERS**

**9.2 CONNECTION - INTRODUCTION**

This Part I deals with connection to the **National Electricity Transmission System** by an **Interconnector Owner**. The **User** for the purposes of this Part I will therefore be the **Interconnector Owner**.

**9.3 BEING OPERATIONAL, CONNECTION AND ENERGISATION**

**9.3.1 Right to Remain Connected**

Subject to the other terms and conditions of the relevant **Bilateral Connection Agreement** and the **Grid Code** and any **Operating Agreement**, each **User** as between **The Company** and that **User** shall have the right for the **User's Equipment** to remain connected to the **National Electricity Transmission System** at the **Connection Site** of an **Interconnector** specified in the relevant **Bilateral Connection Agreement** once **Commissioned** and then for the duration of the relevant **Bilateral Connection Agreement** in relation to that **Connection Site**.

**9.3.2 Right to Remain Energised and Operational**

Subject to the other provisions of the **CUSC**, the relevant **Bilateral Connection Agreement** and the **Grid Code** and any **Operating Agreement** each **User** as between **The Company** and that **User** shall have the right for the **User's Equipment** at

the **Connection Site** of an **Interconnector** to remain **Energised** and **Operational** once **Commissioned** for the duration of the **Bilateral Connection Agreement** in relation to that **Connection Site**.

### 9.3.3 **Obligation to Remain Connected**

- (a) Without prejudice to its rights to make **Modifications** to the **User's Plant** (and/or **User's Equipment** as the case may be) pursuant to the **CUSC** and subject to the provisions of Paragraph 5.2 and the other provisions of the **CUSC**, the **Grid Code** and any **Operating Agreement**, the **User** shall keep the **User's Equipment** at the **Connection Site** of an **Interconnector** connected to the **National Electricity Transmission System** until **Decommissioning** or **Disconnection** is permitted pursuant to the **CUSC** and the relevant **Bilateral Connection Agreement**.
- (b) For as long as the **User** is connected to the **National Electricity Transmission System** and the **User's Equipment** is **Energised** and **Operational** the **User** shall ensure:
  - (i) that there is an **Interconnector Error Administrator** appointed in respect of that **Interconnector**; and
  - (ii) that any party with whom it enters into an agreement for use of that **Interconnector** is a party to the **CUSC** and is in receipt of a **Use of System Interconnector Confirmation Notice** prior to and during its use of that **Interconnector**.

## 9.4 **EXPORT OF POWER FROM THE INTERCONNECTOR CONNECTION SITE**

Subject to the other provisions of the **CUSC**, the relevant **Bilateral Connection Agreement** and the **Grid Code** and any **Operating Agreement**, **The Company** shall accept into the **National Electricity Transmission System** at the **Connection Site** of an **Interconnector** power up to the **Transmission Entry Capacity** and (if any) **STTEC** and/or **LDTEC** and/or any **Temporary Received TEC** less any **Temporary Donated TEC** for the relevant **Period** as specified in Appendix C to the relevant **Bilateral Connection Agreement** except to the extent (if any) that **The Company** is prevented from doing so by transmission constraints which could not be avoided by the exercise of **Good Industry Practice**.

## 9.5 **IMPORT OF POWER TO THE INTERCONNECTOR CONNECTION SITE**

Subject to the other provisions of the **CUSC**, the relevant **Bilateral Connection Agreement**, the **Grid Code** and any **Operating Agreement**, **The Company** shall transport a supply of power to a **Connection Site** of an **Interconnector** through the **National Electricity Transmission System** up to the amount specified in the **Bilateral Connection Agreement** except to the extent (if any) that **The Company** is prevented from doing so by transmission constraints which could not be avoided by the exercise of **Good Industry Practice** by **The Company**.

**9.6** The **User** shall not permit the transfer of any amount of electricity onto the **National Electricity Transmission System** in excess of the **Transmission Entry Capacity** and (if any) **STTEC** and/or **LDTEC** and/or any **Temporary Received TEC** less any **Temporary Donated TEC** for the relevant **Period** specified in Appendix C to the relevant **Bilateral Connection Agreement** or permit the taking of any amounts of electricity off the **National Electricity Transmission System** in excess of the value as specified in Appendix C to the relevant **Bilateral Connection Agreement** save as expressly permitted or instructed pursuant to an **Emergency Instruction** under the **Grid Code** or save as expressly permitted pursuant to any **Operating Agreement** or the **Fuel Security Code** or as may be necessary or expedient in accordance with **Good Industry Practice**.

#### **9.6A Connection Entry Capacity**

With respect to a particular connection to the **National Electricity Transmission System**, each **User**, as between **The Company** and that **User**, shall not operate its **User's Equipment** such that any of it exceeds the **Connection Entry Capacity** specified for each **Generating Unit** or the **Connection Entry Capacity** to the **Connection Site** such figures being set out in Appendix C to the relevant **Bilateral Connection Agreement** save as expressly permitted pursuant to an **Emergency Instruction** under the **Grid Code** or save as expressly permitted pursuant to any **Operating Agreement** or the **Fuel Security Code** or as may be necessary or expedient in accordance with **Good Industry Practice**.

#### **9.7 MAINTENANCE OF TRANSMISSION CONNECTION ASSETS**

Subject to the other provisions of the **CUSC**, the relevant **Bilateral Connection Agreement**, the **Grid Code** and any **Operating Agreement**, **The Company** shall use all reasonable endeavours to maintain the **Transmission Connection Assets**

at each **Connection Site** of an **Interconnector** in the condition necessary to render the same fit for the purpose of passing power up to the **Connection Entry Capacity** specified in Appendix C to the **Bilateral Connection Agreement** as appropriate between the **User's Equipment** and the **National Electricity Transmission System**.

## 9.8 OUTAGES

Subject to the provisions of the **Grid Code** and any **Operating Agreement**, **The Company** and the **User** shall as between themselves be entitled to plan and execute outages of parts of, in the case of **The Company**, the **National Electricity Transmission System** or **Transmission Plant** or **Transmission Apparatus** and, in the case of the **User**, its **System** or **Plant** or **Apparatus** at any time and from time to time.

## 9.9 CONNECTION CHARGES

### 9.9.1 Connection Charges

Subject to the provisions of the **CUSC**, and the relevant **Bilateral Connection Agreement**, each **User** shall, as between **The Company** and that **User**, with effect from the relevant date set out in the relevant **Bilateral Connection Agreement** be liable to pay to **The Company** the **Connection Charges** calculated and applied in accordance with the **Statement of the Connection Charging Methodology** and as set out in the relevant **Bilateral Connection Agreement**. The **User** shall make those payments in accordance with the provisions of the **CUSC**. **The Company** shall apply and calculate the **Connection Charges** in accordance with the **Statement of the Connection Charging Methodology**.

### 9.9.2 Obligation to provide Security

The **User** shall provide **The Company** with **Security Cover** in respect of **Termination Amounts** in respect of **Transmission Connection Assets** commissioned after the **Transfer Date** in accordance with the provisions of Part III of Section 2.

### 9.9.3 Outturn Reconciliation

- (a) The following provisions relate to the ability for invoices to be issued for **Connection Charges** based on an estimate of the cost of **Transmission Connection Asset Works**, and for a reconciliation once those costs are known.

- (b) **The Company** shall be entitled to invoice the **User** for **Connection Charges** payable in accordance with the **CUSC** in respect of any **Plant** and **Apparatus** installed as part of the **Transmission Connection Asset Works** on the basis set out in the **Statement** of the **Connection Charging Methodology**, until the final cost of carrying out the said **Transmission Connection Asset Works** shall have been determined.
- (c) As soon as practicable after the **Completion Date** and in any event within one year thereof **The Company** shall provide to the **User** a written statement specifying the **Connection Charges** calculated in accordance with the **Charging Statements** based on the cost of carrying out the **Transmission Connection Asset Works** (the "**Cost Statement**"). **The Company** shall be entitled to revise Appendix B to the relevant **Bilateral Connection Agreement** accordingly.
- (d) In the event that the **Connection Charges** specified in the **Cost Statement** are greater than the amount paid by the **User** based on **The Company's** estimate under Paragraph 2.14.3(b), the **User** shall pay to **The Company** the difference between the two amounts plus interest on a daily basis from the date of payment by the **User** of the amounts calculated on **The Company's** estimate to the date of payment by the **User** of the difference at the **Base Rate**. In the event that the **Connection Charges** specified in the **Cost Statement** are less than the amount paid by the **User** based on **The Company's** estimate, **The Company** shall pay to the **User** the difference between the two amounts plus interest on a daily basis from the date of payment by the **User** of the amounts calculated on **The Company's** estimate to the date of repayment by **The Company** at the **Base Rate**. Such payment of reconciliation shall be made by one party to the other within 28 (twenty eight) days of the **Cost Statement**.

#### 9.9.4 Connection Charges – One-off Charges

- (a) The following provisions relate to the payment for certain **One-off Works**, which arise in relation to the construction of a **Connection Site**.
- (b) The **User** shall forthwith on the relevant date set out in the relevant **Bilateral Connection Agreement** be liable to pay to **The Company** the **One-off Charge** (if any) as set out in the relevant **Bilateral Connection Agreement**.

- (c) **The Company** shall invoice the **User** for an amount equal to **The Company's** estimate of the **One-off Charge** before, on or after the relevant date set out in the relevant **Bilateral Connection Agreement** and the **User** shall pay to **The Company** the amount stated in **The Company** invoice at the later of such relevant date or 28 (twenty eight) days after the date of the said invoice.
- (d) As soon as practicable thereafter **The Company** shall provide the **User** with a statement of the **One-off Charge**. In the event of the amount specified in the statement being more than the amount paid by the **User** to **The Company** in terms of Paragraph 2.14.4(c), the **User** shall pay to **The Company** the difference plus interest on a daily basis from the date of the invoice under Paragraph 2.14.4(c) to the date of invoice for the difference at the **Base Rate** from time to time within 28 days (twenty eight) days of the date of **The Company's** invoice. In the event of the amount specified in the statement being less than the amount paid by the **User** under the terms of Paragraph 2.14.4(c), **The Company** shall forthwith pay to the **User** an amount equal to the difference plus interest calculated on a daily basis at the **Base Rate** from the date of payment by the **User** under Paragraph 2.14.4(c) to the date on which the difference is repaid by **The Company**.

9.9.5 Connection Charges – Site Specific Maintenance Charge

- (a) **The Company** shall be entitled to invoice each **User** for the indicative **Site Specific Maintenance Charge** in each **Financial Year** as set out in the **Statement of the Connecting Charging Methodology**.
- (b) As soon as reasonably practicable and in any event by 31 July in each **Financial Year** **The Company** shall:
  - (i) in accordance with the **Statement of the Connection Charging Methodology** calculate the actual **Site Specific Maintenance Charge** that would have been payable by the **User** during the preceding **Financial Year** (the "**Actual Charge**") and compare this with the indicative **Site Specific Maintenance Charge** received from the **User** during the preceding **Financial Year** (the "**Notional Charge**") and
  - (ii) prepare and send to the **User** a **Maintenance Reconciliation Statement** specifying the **Actual Charge** and the **Notional Charge** for the preceding **Financial Year**.

- (c) Two months after the date of issue of the **Maintenance Reconciliation Statement** and in any event by 30 September **The Company** shall issue a credit note in relation to any sums shown by the **Maintenance Reconciliation Statement** to be due to the **User** or an invoice in respect of sums due to **The Company** (such invoice to be payable within 30 days of the date of the invoice) and in each case interest thereon calculated pursuant to Paragraph 9.9.5(e) below.
- (d) Interest on all amounts due under this Paragraph 9.9.5 shall be payable by the paying **CUSC Party** to the other on such amounts from the date of payment applicable to the month concerned until the date of invoice for such amounts and such interest shall be calculated on a daily basis at a rate equal to the **Base Rate** during such period.

#### 9.9.6 Payment

The **Connection Charges** in the **Financial Year** in which the **Charging Date** occurs shall be apportioned as follows:-

For each complete calendar month from **Charging Date** to the end of the **Financial Year** in which the **Charging Date** occurs the **User** shall be liable to pay one twelfth of the **Connection Charges** and for each part of a calendar month the **User** shall be liable to pay to **The Company** one twelfth of the **Connection Charges** prorated by a factor determined by the number of days for which the **User** is liable divided by the total number of days in such calendar month.

- 9.9.7 The provisions of Paragraphs 2.15 (Revision of Charges), 2.16 (Data Requirements), 2.17 (Replacement of Transmission Connection Assets), 2.18 Termination Amounts Re-use) and 2.19 to 2.22 inclusive (Security and Termination Amounts) of the **CUSC** shall apply to this Section 9 as if set out herein in full.

#### 9.10 **USE OF SYSTEM CHARGES - Transmission Network Use of System Charges**

- 9.10.1 Subject to the provisions of the **CUSC**, and any relevant **Bilateral Agreement**, together with the relevant **Charging Statements**, the **User** shall with effect from the relevant date set out in the relevant **Bilateral Agreement**, be liable to pay to **The Company** the **Transmission Network Use of System Charges** and (if appropriate) the **STTEC Charge** and **LDTEC Charge** in accordance with the **CUSC** calculated in accordance with the **Statement of Use of System Charges** and the **Statement of**

**the Use of System Charging Methodology.** The Company shall apply and calculate the **Use of System Charges** in accordance with the **Statement of Use of System Charges** and the **Statement of the Use of System Charging Methodology.**

**9.10.2 Data Requirements**

9.10.2.1 On or before the end of the second week of December in each **Financial Year**, each **User** shall supply **The Company** with such data as described under Section 9.10.2 **The Company** may from time to time reasonably request to enable **The Company** to calculate the tariffs for the **Transmission Network Use of System Charges** pursuant to the **Charging Statements** for the Financial Year to which the data relates;

9.10.2.2 On or before the 10<sup>th</sup> day in March in each **Financial Year**, each **User** shall supply **The Company** on **The Company's** reasonable request with its **Demand Forecast** for the following **Financial Year** pursuant to the **Charging Statements** to enable **The Company** to use such **Demand Forecast** as the basis for calculation of the **Transmission Network Use of System Charges** for the **Financial Year** to which the **Demand Forecast** relates.

9.10.2.3 In the event that a **User** fails to provide a **Demand Forecast** in accordance with Paragraph 9.10.2.2 above the **User** shall be deemed to have submitted as its **Demand Forecast** the last **Demand Forecast** supplied under Paragraph 9.10.3.1.

9.10.2.5 On or before the end of the second week of December in each **Financial Year** each **User** that is liable for generation **Use of System Charges** in accordance with 3.9 shall supply **The Company** with a forecast maximum TEC for the following year, to inform **The Company** of the forecast generation to be sued for the purposes of setting TNUoS Tariffs.

**9.10.3 Variation Of Forecasts During The Financial Year**

9.10.3.1 Each **User** shall notify **The Company** of any revision to its **Demand Forecast** at least quarterly or at such intervals as may be agreed between **The Company** and the **User** from time to time.

9.10.3.2 In the event that a **User** fails to provide a revised **Demand Forecast** in accordance with Paragraph 9.10.3.1 above the **User** shall be deemed to have submitted as its revised **Demand Forecast** that submitted at the previous quarter.

**9.10.3.3** Subject to Paragraph 9.10.4, **The Company** shall revise the **Transmission Network Use of System Charges** payable by a **User** to take account of any revised **Demand Forecast** and shall commence charging the revised **Transmission Network Use of System Charges** from the first day of the month following the month in which such revised **Demand Forecast** was received provided always that such **Demand Forecast** is provided before the 10<sup>th</sup> day of such month.

**9.10.4 Validation of Demand Forecasts**

9.10.4.1 The **Demand Forecast** shall represent a **User's** reasonable estimate of its **Demand**.

9.10.4.2 **The Company** shall notify the **User** in the event that the **Transmission Network Use of System Charges** due from the **User** to **The Company** or from **The Company** to the **User** (as the case may be) calculated by **The Company** using the **Demand Forecast** differ by more than 20% from that calculated by **The Company** using **The Company's** forecast **Demand** as provided for in the **Charging Statements**.

9.10.4.3 In the event that **The Company** does not receive a satisfactory explanation for the difference between the **Demand Forecast** and **The Company's** forecast **Demand** or a satisfactory revised **Demand Forecast** from the **User** within 5 **Business Days** of such notice then **The Company** shall be entitled to invoice a **User** for **Transmission Network Use of System charges** calculated on the basis of **The Company** forecast **Demand**.

9.10.4.4 Any dispute regarding a **Demand Forecast** or the resulting **Transmission Network Use of System Charges** shall be a **Charging Dispute**.

**9.10.5 Reconciliation Statements**

9.10.5.1 Calculation of Initial Reconciliation

On or before 30 June in each **Financial Year**, **The Company** shall promptly calculate in accordance with the **Statement of the Use of System Charging Methodology** and the **Statement of Use of System Charges** the **Demand** related or generation related **Transmission Network Use of System Charges** (as the case may be) that would have been payable by the **User** during each month during the preceding **Financial Year (Actual Amount)**. **The Company** shall then compare the **Actual Amount** with the amount of **Demand** related or generation related **Transmission Network Use of System Charges** (as

the case may be) paid during each month during the preceding **Financial Year** by the **User** (the “**Notional Amount**”).

#### Generation Reconciliation

9.10.5.2 As soon as reasonably practicable and in any event by 30 April in each **Financial Year** **The Company** shall prepare a generation reconciliation statement (the “**Generation Reconciliation Statement**”) in respect of generation related **Transmission Network Use of System Charges** and send it to the **User**. Such statement shall specify the **Actual Amount** and the **Notional Amount** of generation related **Transmission Network Use of System Charges** for each month during the relevant **Financial Year** and, in reasonable detail, the information from which such amounts were derived and the manner in which they were calculated.

9.10.5.3 Together with the **Generation Reconciliation Statement**, **The Company** shall issue a credit note in relation to any sums shown by the **Generation Reconciliation Statement** to be due to the **User** or an invoice in respect of sums due to **The Company** and in each case interest thereon calculated pursuant to Paragraph 9.10.4.4 below.

9.10.5.4 As soon as reasonably practicable and in any event by 30 June in each **Financial Year** **The Company** shall then prepare an initial **Demand** reconciliation statement (the “**Initial Demand Reconciliation Statement**”) in respect of **Demand** related **Transmission Network Use of System Charges** and send it to the **User**. Such statement shall specify the **Actual Amount** and the **Notional Amount** of **Demand** related **Transmission Network Use of System Charges** for each month during the relevant **Financial Year** and, in reasonable detail, the information from which such amounts were derived and the manner in which they were calculated.

9.10.5.5 Together with the **Initial Demand Reconciliation Statement** **The Company** shall issue a credit note in relation to any sum shown by the **Initial Demand Reconciliation Statement** to be due to the **User** or an invoice in respect of sums due to **The Company** and in each case interest thereon calculated pursuant to Paragraph 9.10.4.6;

#### 9.10.5.6 General Provisions

- (a) Invoices issued under Paragraph 9.10.4.3 shall be payable within 30 days of the date of the invoice;
- (b) Interest on all amounts due under this Paragraph 9.10.4 shall be payable by the paying **CUSC Party** to the other on

such amounts from the date of payment applicable to the month concerned until the date of actual payment of such amounts and such interest shall be calculated on a daily basis at a rate equal to the **Base Rate** during such period.

9.10.5.7 Final Reconciliation Statement

- (a) **The Company** shall as soon as reasonably practicable following receipt by it of the **Final Reconciliation Settlement Run** or **Final Reconciliation Volume Allocation Run** as appropriate in respect of the last **Settlement Day** in each **Financial Year** issue a further **Demand** reconciliation statement (the "**Final Demand Reconciliation Statement**") in respect of **Demand** related **Transmission Network Use of System Charges** payable in respect of each month of that **Financial Year** showing:-
- (i) any change in the **Demand** related **Transmission Network Use of System Charges** from those specified in the **Initial Demand Reconciliation Statement** provided in accordance with Paragraph 9.10.4.4;
  - (ii) whether the change represent a reconciliation payment owing by **The Company** to a **User** or by a **User** to **The Company**.
  - (iii) the amount of interest determined in accordance with Paragraph 9.10.4.6 above; and
  - (iv) the information from which the amounts in (i) above are derived and the manner of their calculation.
- (b) Together with the **Final Demand Reconciliation Statement** **The Company** shall issue a credit note in relation to any sum shown in the **Final Demand Reconciliation Statement** to be due to the **User** or an invoice in respect of sums due to **The Company** and in each case interest thereon calculated pursuant to Paragraph 9.10.4.6.
- (c) Payment of any invoice issued pursuant to Paragraph 9.10.4.7(b) above or the application of any credit note issued pursuant to that paragraph against any liability of the **User** to **The Company** for **Demand** related **Transmission Network Use of System Charges** will be in full and final settlement of all **Demand** related **Transmission Network Use of System Charges** for the **Financial Year** to which the invoice or credit note relates provided that nothing in this Paragraph

9.10.4.7(c) shall affect the rights of the parties under the provisions of Paragraph 7.3.5 of the **CUSC**.

9.10.6 Paragraphs 3.14.1 - 3.14.4 (Revision of Charges) shall apply as if set out herein in full.

9.10.7 Each **User** shall as between **The Company** and that **User** provide **The Company** with **Security Cover** in respect of **Transmission Network Use of System Demand Reconciliation Charges** in accordance with Part III of Section 3.

9.10.8 Paragraphs 3.21 to 3.25 inclusive (Credit Requirements) as they relate to **Transmission Network Use of System Demand Reconciliation Charges** shall apply as if set out herein in full.

## 9.11 **SPECIAL AUTOMATIC FACILITIES**

**The Company** and each **User** shall, as between **The Company** and that **User** operate respectively the **National Electricity Transmission System** and the **User's Equipment** in accordance with the schemes set out in Appendix F3 to the relevant **Bilateral Connection Agreement** and/or any **Operating Agreement**.

## 9.12 **PROTECTION AND CONTROL RELAY SETTINGS/FAULT CLEARANCE TIMES**

**The Company** and the **User** shall record the respective protection and control relay settings and fault clearance times to be operated by each of them in documents in the format set out in Appendix F4 to the relevant **Bilateral Connection Agreement** and shall operate them accordingly.

## 9.13 **OTHER SITE SPECIFIC TECHNICAL CONDITIONS**

9.13.1 The **User** shall ensure that, in the case of a **Connection Site Commissioned** prior to the **Transfer Date**, on the **Transfer Date**, and in the case of a **Connection Site Commissioned** after the **Transfer Date**, on the **Completion Date(s)**, the **User's Equipment** complies with the site specific technical conditions set out in Appendix F5 to the relevant **Bilateral Connection Agreement** and/or in the relevant **Operating Agreement**.

9.13.2 The **User** shall use all reasonable endeavours to ensure during the period in which it is a party to a particular **Bilateral Connection Agreement** that the **User's Equipment** which is subject to that **Bilateral Connection Agreement** shall continue to comply with the site-specific technical conditions set out in Appendix F5 to that **Bilateral Connection Agreement** and/or in the relevant **Operating Agreement**.

9.13.3 If the **User** or **The Company** wishes to modify, alter or otherwise change the site specific technical conditions relating to a **Connection Site** or the manner of their operation:

- (a) under Appendix F4 to the relevant **Bilateral Connection Agreement** it may do so upon obtaining the agreement of the other party such agreement not to be unreasonably withheld;
- (b) under Appendices F1 or F3 or F5 to the relevant **Bilateral Connection Agreement** it shall be deemed to be a **Modification** for the purposes of the **CUSC**.

9.13.4 Where, in the case of a **Connection Site Commissioned** in England and Wales prior to the **Transfer Date**, on or immediately prior to the **Transfer Date** a **User's Equipment** subject to a particular **Bilateral Connection Agreement** has any of the following technical attributes or facilities:

- (a) circuit breaker fail protection
- (b) pole slipping protection
- (c) fault disconnection facilities
- (d) automatic switching equipment
- (e) control arrangements
- (f) voltage and current signals for system monitoring
- (g) control telephony
- (h) operational metering,

the **User** shall, as between **The Company** and that **User**, use all reasonable endeavours to ensure that during the period of such **Bilateral Connection Agreement** the **User's Equipment** which is subject to that **Bilateral Connection Agreement** retains such technical attributes or facilities provided always that if the **User** wishes to modify alter or otherwise change the same or their operation it may do so by following the procedures relating to a **Modification** in accordance with the **CUSC**.

## 9.14 SAFETY RULES

9.14.1 In relation to a **Connection Site** in England and Wales **The Company** and the **User** will each supply to the other and in relation to a **Connection Site** in Scotland **The Company** shall procure that the **Relevant Transmission Licensee** supplies to the **User** a copy of their **Safety Rules** current from time to time,

including any site-specific **Safety Rules**, and also a copy of the **Local Safety Instructions** applicable at each **Connection Site** from time to time.

9.14.2 In relation to a **Connection Site** in Scotland each **User** will supply to the **Relevant Transmission Licensee** a copy of their **Safety Rules** current from time to time, including any site-specific **Safety Rules**, and also a copy of the **Local Safety Instructions** applicable at each **Connection Site** from time to time.

## 9.15 INTERFACE AGREEMENT

9.15.1 In relation to **Connection Sites** and **New Connection Sites** in England and Wales **The Company** and the **User** undertake to enter into an **Interface Agreement** with each other and in relation to **Connection Sites** and **New Connection Sites** in Scotland **The Company** shall procure that the **Relevant Transmission Licensee** shall enter into an **Interface Agreement** with a **User** in either case in a form to be agreed between them but based substantially on the forms set out in Schedule 2 as appropriate where such **Interface Agreement(s)** is/are required pursuant to the applicable **Bilateral Connection Agreement** or otherwise.

9.15.2 In relation to **Connection Sites** and **New Connection Sites** in Scotland the **User** undertakes to enter into an **Interface Agreement** with the **Relevant Transmission Licensee** in a form to be agreed between them but based substantially on the forms set out in Exhibit O to the **CUSC** as appropriate where such **Interface Agreement(s)** is/are required pursuant to the applicable **Bilateral Connection Agreement** or otherwise.

## 9.16 PRINCIPLES OF OWNERSHIP

9.16.1 Subject to any contrary agreement in any **Bilateral Connection Agreement** or elsewhere, the division of ownership of **Plant** and **Apparatus** shall be at the electrical boundary, such boundary to be in relation to **Plant** and **Apparatus** located between the **National Electricity Transmission System** and an **Interconnector** at the busbar clamp on the busbar side of the busbar isolators in the **Interconnector** transformer circuits at a **Connection Site**.

9.16.2 For the avoidance of doubt nothing in this Paragraph 9.16 shall effect any transfer of ownership in any **Plant** or **Apparatus**.

## 9.17 EVENT OF DEFAULT

9.17.1 Where **The Company** has given notice of event of default to an **Interconnector User** or **Interconnector Error Administrator** in accordance with Section 5 **The Company** shall be entitled to request the **User** to cease or procure the cessation of the transfer of power across the relevant **Interconnector** by or on behalf of that **Interconnector User** or **Interconnector Error Administrator**.

9.17.2 As soon as practicable after such request from **The Company** the **User** shall cease or procure the cessation of the transfer of power across the relevant **Interconnector** by or on behalf of that **Interconnector User**.

## 9.18 NEW CONNECTION SITES

9.18.1 If the **User** wishes to connect a **New Connection Site** it shall complete and submit to **The Company** a **Connection Application** and comply with the terms thereof.

9.18.2 Without prejudice to Standard Condition C8 of the **Transmission Licence** **The Company** shall make a **Connection Offer** to that **User** as soon as practicable after receipt of the **Connection Application** and (save where the **Authority** consents to a longer period) in any event not more than 3 months after receipt by **The Company** of the **Connection Application**.

9.18.3 The **Connection Offer** shall remain open for acceptance for 3 months from its receipt by that **User** unless either that **User** or **The Company** makes an application to the **Authority** under Standard Condition C9 of the **Transmission Licence**, in which event the **Connection Offer** shall remain open for acceptance until the date 14 days after any determination by the **Authority** pursuant to such application.

9.18.4 If the **Connection Offer** is accepted by that **User** the connection shall proceed according to the terms of the **CUSC** and the relevant **Bilateral Connection Agreement** and **Construction Agreement** entered into consequent upon acceptance of the **Offer**.

## PART II - USE OF THE NATIONAL ELECTRICITY TRANSMISSION SYSTEM BY INTERCONNECTOR USERS AND INTERCONNECTOR ERROR ADMINISTRATORS

### 9.19 INTRODUCTION

This Part II deals with rights and obligations relating to use of the **National Electricity Transmission System** by **Interconnector**

**Users and Interconnector Error Administrators.** An **Interconnector Error Administrator** is deemed to be using the **National Electricity Transmission System** because of its registered **BM Units** in respect of which it has an obligation to pay **Balancing Services Use of System Charges**. The **User** for the purposes of this Part II will therefore be an **Interconnector User** and/or an **Interconnector Error Administrator**. Where the **Interconnector Error Administrator** is **The Company**, the **User** for the purposes of this Part II will be **The Company**.

## **9.20 RIGHTS TO USE THE NATIONAL ELECTRICITY TRANSMISSION SYSTEM**

9.20.1 Subject to the provisions of the **CUSC**, the **Grid Code** and any relevant **Operating Agreement** **The Company** shall as between **The Company** and that **User** transport a supply of power through the **National Electricity Transmission System** together with such margin as **The Company** shall in its reasonable opinion consider necessary having due regard to **The Company's** duties under the **Transmission Licence** except to the extent (if any) that **The Company** is prevented from doing so by transmission constraints or by insufficiency of generation which, in either case, could not have been avoided by the exercise of **Good Industry Practice** by **The Company**.

9.20.2 This right is subject to there being a **Bilateral Connection Agreement** between the **Interconnector Owner** and **The Company** for the **Connection Site** of the relevant **Interconnector**.

9.20.3 The **User** acknowledges that breach of the provisions of the **CUSC** by an **Interconnector Owner** may give rise to **Deenergisation** or **Disconnection** of the **Connection Site** of that **Interconnector** pursuant to Section 5.

9.20.4 Subject to the provisions of the **Grid Code** and any **Operating Agreement** **The Company** shall be entitled to plan and execute outages of parts of the **National Electricity Transmission System** or **Transmission Plant** or **Transmission Apparatus** at any time and from time to time.

## **9.21 USE OF SYSTEM APPLICATION**

9.21.1 If a **User** wishes to use the **National Electricity Transmission System** in accordance with this Part II, it shall complete and submit to **The Company** a **Use of System Application** and comply with the terms thereof.

- 9.21.2 Without prejudice to Standard Condition C8 of the **Transmission Licence**, **The Company** shall make a **Use of System Offer** to that prospective **User** as soon as practicable after receipt of the **Use of System Application** and (save where the **Authority** commits to a longer period) in any event not more than 28 days after receipt by **The Company** or the **Use of System Application**.
- 9.21.3 The **Use of System Offer** shall be in the form of **Use of System Interconnector Offer Notice**. The provisions of Standard Condition C8 shall apply to an application by a **User** under this Section 9 Part II as if the **Use of System Interconnector Offer Notice** and **Use of System Interconnector Confirmation Notice** was an agreement for the purposes of that condition.
- 9.21.4 The **Use of System Interconnector Offer** shall remain open for acceptance for 28 days from its receipt by that **User** unless either that **User** or **The Company** makes an application to the **Authority** under Standard Condition C9 of the **Transmission Licence**, in which event the **Use of System Interconnector Offer Notice** shall remain open for acceptance until the date 14 days after any determination by the **Authority** pursuant to such application.
- 9.21.5 Upon acceptance of the **Use of System Interconnector Offer** (as offered by **The Company** or determined by the **Authority**) by the **User** and the issuing by **The Company** of a **Use of System Interconnector Confirmation Notice**, the **User** shall have the right to use the **National Electricity Transmission System** in accordance with this Section. Such right shall continue until a **Use of System Termination Notice** is submitted pursuant to Paragraph 9.23.1 or the use ceases in accordance with 9.23.2.
- 9.21.6 Such rights shall be conditional upon the **Applicant**, if it is not already a party to the **CUSC Framework Agreement**, becoming a party to the **CUSC Framework Agreement**.
- 9.22 USE OF SYSTEM CHARGES- Balancing Services Use of System Charges**
- 9.22.1 Subject to the provisions of the **CUSC**, together with the relevant **Charging Statements**, each **User** shall with effect from the relevant date set out in the relevant **Use of System Interconnector Confirmation Notice** given to a **User** be liable to pay to **The Company** in accordance with the **CUSC** in respect of each **Settlement Day** the **Balancing Services Use of System Charges** calculated in accordance with the **Statement of the Use of System Charges Methodology**.

- 9.22.2 **The Company** shall apply and calculate the **Balancing Services Use of System Charges** in accordance with the **Statement of Use of System Charges** and the **Statement of the Use of System Charging Methodology**.
- 9.22.3 Each **User** shall as between **The Company** and that **User** provide **The Company** with **Security Cover** in respect of **Transmission Services Use of System Charges** and **Balancing Services Use of System Charges** in accordance with the provisions of Part III of Section 3.
- 9.22.4 Paragraphs 3.21 to 3.24 (Credit Requirements) as they relate to **Transmission Services Use of System Charges** and **Balancing Services Use of System Charges** shall apply as if set out herein in full and as if references to **Generators** were references to **Interconnector Users** and to **Interconnector Error Administrators** (as the case may be).
- 9.22.5 Balancing Services Use of System Charges

Notwithstanding the provisions of Paragraph 6.6.1 the following provisions shall apply to the payment of the **Balancing Services Use of System Charges**.

- (a) **The Company** shall not later than 17.00 hours on the relevant **Notification Date** (and if this is not practicable as soon as possible thereafter as **The Company**, acting reasonably, considers is practicable) despatch an advice notice to the **User** in respect of the **Settlement Day** in relation to which the **Balancing Services Use of System Charges** are due on the relevant **Payment Date**.
- (b) The information on the advice notice in respect of each **Settlement Day** shall include the name of the **User** and the total amount payable to **The Company** in respect of **Balancing Services Use of System Charges** and in all cases together with any **Value Added Tax** thereon during each **Settlement Day**.
- (c) **The Company** shall, within a reasonable time thereafter provide a valid **Value Added Tax** invoice in respect of **Balancing Services Use of System Charges** identified on the advice note.
- (d) The **User** shall pay the **Balancing Services Use of System Charges** specified in the advice notice together with the **Value Added Tax** thereon to **The Company** no later than 12.30 hours on the **Payment Date** specified on the advice note in respect of such **Settlement Date** as if

they were payments made in the manner specified in Paragraph 6.6.3 of the **CUSC**.

9.22.6 Reconciliation

As soon as reasonably practicable after receipt by **The Company** of the **Final Reconciliation Volume Allocation Run** in respect of a **Settlement Day** **The Company** shall prepare and submit to each **Interconnector User** a statement (which may form part of an invoice or other document) calculated in accordance with the data specified in the **Statement of the Use of System Charging Methodology** in respect of that **Settlement Day** ("**Balancing Services Use of System Reconciliation Statement**"), showing the new value (if any) of data (as specified in the **Statement of the Use of System Charging Methodology** in force on that **Settlement Day**) attributable to the **User** in respect of such **Settlement Day** and the amount of **Balancing Services Use of System Charges** payable by the **User** on the basis of the new value (the "**Reconciled Charge**").

9.22.7 In the event that:

- (a) the **Reconciled Charge** exceeds the **Balancing Services Use of System Charges** paid by the **User** in respect of that **Settlement Day** ("**Initial Charge**") **The Company** shall at its option either:
  - (i) send to the **User** as soon as reasonably practicable after issue of the **Balancing Services Use of System Reconciliation Statement** an invoice for the amount by which the **Reconciled Charge** exceeds the **Initial Charge** and interest thereon calculated in accordance with the provisions set out in Paragraph 9.22.8; or
  - (ii) include such amount in another invoice in respect of **Balancing Services Use of System Charges** to the **User**.
- (b) the **Reconciled Charge** is less than the **Initial Charge** **The Company** shall at its option either:-
  - (i) send to the **User** as soon as reasonably practicable after issue of the **Balancing Services Use of System Reconciliation Statement** a credit note for the amount by which the **Initial Charge** exceeds the **Reconciled Charge** and interest thereon calculated in accordance with the provisions set out in Paragraph 9.22.8; or

- (ii) include such amount as a credit in an invoice in respect of **Balancing Services Use of System Charges** from **The Company** to the **User**.

9.22.8 Interest payable in respect of each reconciliation payment shall accrue from and including the relevant **Use of System Payment Date** up to but excluding the date upon which the amounts specified in the **Balancing Services Use of System Reconciliation Statement** are paid, and shall be at a rate equal to the **Base Rate** for the time being and from time to time. Interest shall accrue from day to day.

9.22.9 If **The Company** receives written notice from any **User** or from the relevant **BSC Agent** that an error has occurred in any data forming part of or used within the **Initial Volume Allocation Run** which affects the costs to **The Company** of offers and bids in the **Balancing Mechanism** accepted by **The Company** in respect of any **Settlement Day**, and that error has been ratified in accordance with the procedures for ratification set out in the **Balancing and Settlement Code** it shall use its reasonable endeavours to, as soon as reasonably practicable after receipt of such notice, issue a dispute reconciliation statement ("**Dispute Statement**") to the **User** in respect of that **Settlement Day**.

9.22.10 Any **Dispute Statement** issued pursuant to Paragraph 9.22.9 above shall show the amount of **Balancing Services Use of System Charges** payable by the **User** on the basis of the ratified data.

9.22.11 (a) In the event that the amount shown in any **Dispute Statement** exceeds the aggregate amount paid by the **User** in respect of the **Settlement Day** to which the **Dispute Statement** relates under any invoices issued pursuant to Paragraph 9.22.5 and Paragraph 9.22.7 above (after taking into account any credit notes issued) **The Company** shall submit to the **User** a further invoice for such excess and interest thereon calculated in accordance with Paragraph 9.22.8;

(b) In the event that the amount shown in any **Dispute Statement** is less than the aggregate amount paid by the **User** in respect of the **Settlement Day** to which the **Dispute Statement** relates under any invoices issued pursuant to Paragraph 9.22.5 and Paragraph 9.22.7 above (after taking into account any credit notes issued) **The Company** shall submit to the **User** a credit note for the amount by which the amount paid exceeds the amount shown in the **Dispute Statement** together with interest thereon calculated in accordance with Paragraph 9.22.8;

9.22.12 If at any time prior to receipt by **The Company** of the **Final Reconciliation Volume Allocation Run** in respect of a **Settlement Day** **The Company** receives written notice from any **User** or the relevant **BSC Agent** of an error occurring in any data forming part of or used within the **Initial Volume Allocation Run** or the **Reconciliation Volume Allocation Run** which in either case affects the data (as specified in the **Statement of the Use of System Charging Methodology**) used in the calculation of **Balancing Services Use of System Charges** for that **Settlement Day**, which error:-

- (a) is not taken into account in the **Final Reconciliation Volume Allocation Run**; and
- (b) has been ratified in accordance with the procedures for ratification set out in the **Balancing and Settlement Code**,

then **The Company** shall use its reasonable endeavours to prepare the **Balancing Services Use of System Reconciliation Statement** on the basis of the ratified data.

9.22.13 The right to submit **Balancing Services Use of System Reconciliation Statements** and **Dispute Statements** and the consequential invoices and/or credit notes shall survive the termination of the **User's** rights under the **CUSC** and the parties agree that the provisions of this Paragraph 9.22 shall remain in full force and effect and shall continue to bind them after such termination (the version in existence as at the date of termination being the applicable version, in the case of any amendments).

9.22.14 **Reconciliation Payments**

Each **User**, or as the case may be, **The Company**, shall pay the amounts set out in any invoice or credit note issued pursuant to Paragraphs 9.22.7 or 9.22.11 respectively above, either in accordance with the applicable requirements for payment of other sums due under that invoice in the case of sums shown in an invoice also dealing with other payments, or in other cases within 5 **Business Days** of the date of the **Balancing Services Use of System Reconciliation Statement or Dispute Statement** as appropriate.

9.22.15 Revision of Charges

- (a) Subject to Paragraph (b) below, **The Company** shall give the **User** not less than 2 months prior written notice of any revision to the **Statement of the Use of System Charging Methodology** which will affect the application and calculation of the **Balancing Services Use of System Charges**, which notice shall specify the date upon which

such revisions become effective (which may be at any time). The **User** shall pay any such revised charges with effect from the date specified in such notice.

- (b) Where in accordance with the **Transmission Licence**, the **Authority** determines a shorter period than two months for the implementation of a revision to the charges which will affect the application and calculation of the **Balancing Services Use of System Charge**, the notice period will be determined by the **Authority**. The notice will specify when the revision is effective and the **User** shall pay any such revised charges with effect from the date specified in such notice.

## 9.23 TERMINATION AND RELATED PROVISIONS

9.23.1 A **User** may terminate its use of the **National Electricity Transmission System** by giving **The Company** a **Use of System Termination Notice** not less than 28 days prior to such termination of use and the right to use the **National Electricity Transmission System** shall cease upon the termination date in the **Use of System Termination Notice**.

9.23.2.1 Use shall cease forthwith upon:

- (a) There ceasing to be a **Bilateral Connection Agreement** for the **Connection Site** of the relevant **Interconnector**;
- (b) disconnection of the **Connection Site** of the relevant **Interconnector** pursuant to Section 5;
- (c) an **Event of Default** by the **User** as provided for in Section 5.

9.23.2.2 Use shall be suspended for the period of any **Deenergisation** of the **Connection Site** of the relevant **Interconnector** pursuant to the **CUSC**.

9.23.3 Prior to termination by a **User** under Paragraph 9.23.1 above, the **User** shall pay to **The Company** all **Balancing Services Use of System Charges** payable by the **User** in respect of the **Financial Year** in which the cessation takes place.

9.23.4 Termination of use under this Paragraph 9.23 shall not relieve a User of its obligation under 9.22 to pay any outstanding **Balancing Services use of System Charges** in respect of any **Settlement Day** for which the **Payment Date** fell after the date of the termination of use.

**END OF SECTION 9**