

DATED _____ **[20]**

NATIONAL GRID ELECTRICITY TRANSMISSION plc

and

[]

**GENERATION CURTAILMENT SERVICE AGREEMENT
FOR []**

Contract Log Number: []

SUBJECT TO CONTRACT

THIS AGREEMENT is made the

day of

2010

BETWEEN:-

- (1) **NATIONAL GRID ELECTRICITY TRANSMISSION plc** a company registered in England with number 2366977 whose registered office is at 1-3 Strand, London, WC2N 5EH (“**National Grid**”); and
- (2) [] a company registered in England with number [] whose registered office is at [] (the “**Generator**”).

WHEREAS:

- (A) **National Grid** and the **Generator** are **Parties** to a Master Ancillary Services agreement entered into on [] (as amended from time to time) (the “**MASA**”).
- (B) This agreement is entered into pursuant to the terms of the **MASA** and shall be read as being governed by it.
- (C) This agreement sets out the terms upon which, on a trial basis, the **Generator** will provide, and **National Grid** will pay for, the **Generation Curtailment Service** from the **Generator’s** [] (the “**Contracted Site**”).
- (D) Nothing in this agreement shall preclude the **Parties** from entering into a separate agreement or agreements containing terms for the provisions of certain **Agreed Ancillary Services** procured by **National Grid** on market based arrangements, for example, **STOR** and **Enhanced Reactive Power Services**.

NOW IT IS HEREBY AGREED as follows:-

1. **DEFINITIONS**

1.1 Unless the subject matter or context otherwise requires it or is inconsistent therewith or unless expressly defined in this agreement, the definitions in Schedule B to the **MASA** shall apply.

1.2 In this agreement, unless the subject matter or context otherwise requires or is inconsistent therewith, the following definitions shall have the following meanings:-

- “**Acknowledgement**” means as defined in Sub-Clause 5.4;
- “**Average Active Power Output**” means as defined in Sub-Clause 6.2;
- “**Contracted Site**” means as defined in recital (C);
- “**Declaration**” means as defined in Sub-Clause 4.1;
- “**Generation Curtailment Payment**” means as defined in Sub-Clause 7.1;
- “**Generation Curtailment Service**” means a reduction in **Active Power** output from the **Contracted Site**, delivered at the request of **National Grid**, as more particularly described in Clause 5;
- “**Generation Forecast Profile**” means the **Generator’s** best estimate of the **Active Power** output from the **Contracted Site** for each **Settlement Period** during each applicable **Service Window** in the following **Operational Week** (or such parts thereof as

shall be comprised therein), to be submitted by way of a

Declaration;

“Generation Reduction”	means as defined in Sub-Clause 6.1;
“Indicative Generation”	means Maximum Export Limit;
“Indicative Generation Curtailment Capability”	means Maximum Export Limit minus the Stable Export Limit for any given settlement period;
“Instruction”	means as defined in Sub-Clause 5.1;
“MASA”	means as defined in recital (A);
“Maximum Utilisation Period”	means as detailed in Schedule B;
“Minimum Utilisation Period”	means as detailed in Schedule B;
“Operational Day”	means from and including 05:00 hours to 05:00 hours each day during an Operational Week ;
“Operational Week”	means from and including 05:00 hours Saturday to 05:00 hours the following Saturday;
“Pre-Active Power Output”	means as defined in Sub-Clause 6.1.1;
“Post-Active Power Output”	means as defined in Sub-Clause 6.1.3;
“Response Time”	means a period of [] prior to the commencement of an Utilisation Period ;
“Revision”	means as defined in Sub-Clause 5.7;
“Service Window”	means from and including [05:00] hours to [05:00] hours;
“Stable Export Limit”	means as defined in Schedule B;
“Utilisation Active Power Output”	means as defined in Sub-Clause 6.1.2;
“Utilisation Period”	means the period during which the Generation Curtailment Service is instructed to be delivered in accordance with Clause 5; and
“Utilisation Price”	means as detailed in Schedule B.

2. **COMMENCEMENT AND TERM**

2.1 This agreement shall commence at [] and shall continue in force and effect until either [], or the **MASA** is terminated pursuant to the terms of the **MASA**, or this agreement is terminated pursuant to the terms of this agreement, whichever happens sooner.

2.2 Prior to the expiry of this agreement in accordance with Sub-Clause 2.1, both **Parties** shall have the option to extend the term of this agreement, provided they are both in written agreement.

3. **GENERATION CURTAILMENT SERVICE**

The **Parties** agree that the **Generator** may, at its sole discretion, provide to **National Grid**, and **National Grid** shall make payment to the **Generator** in respect of, the **Generation Curtailment Service**, upon the terms and subject to the conditions set out in this agreement and the schedules attached hereto.

- 5.2.1 be deemed to require a reduction in the **Active Power** output of the **Contracted Site** to the **Stable Export Limit** ;
- 5.2.2 specify the commencement of the **Utilisation Period**, but shall be issued not later than the **Response Time**; and
- 5.2.3 specify the period over which any reduction shall be maintained, but shall not require such reduced **Active Power** output to be maintained for less than the **Minimum Utilisation Period** or for more than the **Maximum Utilisation Period**.
- 5.3 The **Instruction** shall be issued by **National Grid** to the **Generator** via the telephone to [] at telephone number [] and in the course of such telephone call the **Generator** shall confirm its acceptance or rejection of such **Instruction**. For the avoidance of doubt, the **Generator** may reject an **Instruction** for any reason.
- 5.4 Following acceptance by the **Generator** of an **Instruction**, in accordance with Sub-Clause 5.3, **National Grid** shall as soon as reasonable practicable (which ordinarily shall not be more than 30 minutes following such **Instruction**), issue an acknowledgment of such **Instruction** (the “**Acknowledgment**”) in the format attached at Schedule C, via facsimile to the **Generator**, addressed to [], at the number given below:-
[]
- 5.5 For the avoidance of doubt, any failure on the part of **National Grid** to issue an **Acknowledgment** in accordance with Sub-Clause 5.4 for any reason, shall not affect the acceptance by the **Generator** of the **Instruction**.
- 5.6 Following acceptance of an **Instruction**, **National Grid** may issue a revision to such **Instruction** (the “**Revision**”) at any time prior to or during the applicable **Service Window**, provided always that such **Revision** shall not result in the **Instruction** ceasing prior to the expiry of the original **Minimum Utilisation Period**, or extending it beyond the original **Maximum Utilisation Period** or the end of the application **Service Window**, whichever is the longer. It shall also not result in the **Instruction** reducing generation below the **Stable Export Limit** for the **Contracted Site**.
- 5.7 The **Revision** shall be issued, accepted and acknowledged following the same procedure provided in Sub-Clauses 5.3 to 5.6 above. For the avoidance of doubt, the **Generator** may reject a **Revision** for any reason prior to its acceptance.
- 5.8 The **Generator** shall comply with an **Instruction** as revised pursuant to Sub-Clause 5.6, by procuring a reduction in the **Active Power** output of the **Contracted Site** in accordance with Sub-Clause 5.2.
6. **GENERATION REDUCTION**
- 6.1 For the purposes of Clause 7, **National Grid** shall determine a notional reduction in **Active Power** output pursuant to an **Instruction** (the “**Generation Reduction**”) during the **Utilisation Period** by reference to the following metered **Active Power** output data:-
- 6.1.1 the metered **Active Power** output from the **Contracted Site** during the [] [hour/minute] period ending at the time of acceptance by the **Generator** of the **Instruction** pursuant to Sub-Clause 5.3 (the “**Pre-Active Power Output**”);

- 6.1.2 the metered **Active Power** output from the **Contracted Site** during the applicable **Utilisation Period** (the “**Utilisation Active Power Output**”); and
- 6.1.3 the metered **Active Power** output from the **Contracted Site** during the [] [hour/minute] 2 hours commencing at the time [] [hour/minute] after expiry of the applicable **Utilisation Period** (the “**Post-Active Power Output**”).
- 6.2 **National Grid** shall use the metered data above to determine a notional average **Active Power** output from the **Contracted Site** (the “**Average Active Power Output**”) as follows:-
Average Active Power Output =
((Pre-Active Power Output + Post-Active Power Output)/2) – Utilisation Active Power Output
- 6.3 **National Grid** shall use the above calculation to determine the **Generation Reduction** as follows:-
Generation Reduction = Average Active Power Output x duration of Utilisation Period
- 6.4 The **Generator** shall procure all necessary access to metered data at the **Contracted Site** for the purposes of enabling **National Grid** to perform all calculations hereunder.

7. **PAYMENT**

National Grid shall pay to the **Generator**, in respect of the **Generation Curtailment Service** and in accordance with Clause 4 of the **MASA**, an amount (the “**Generation Curtailment Payment**”) calculated as follows:-

Generation Curtailment Payment = Generation Reduction x Utilisation Price

8. **GENERAL**

- 8.1 The provisions of Clauses 7, 8, 9 (other than as amended by Sub-Clause 8.4), 11 to 18 inclusive, 21 and 22 of the **MASA** shall apply to this agreement as if set out in full herein
- 8.2 Each **Party** shall be responsible for its own costs incurred in connection with the preparation of this agreement.
- 8.3 All operational data to be supplied by the **Generator** to **National Grid** in accordance with the terms of this agreement shall be so supplied via email to the address agreed by the **Parties** prior to entering into this agreement.
- 8.4 The **Generator** agrees that **National Grid** may publish details of this agreement and the **Generation Curtailment Service** provided hereunder, providing that such publication shall not include any information which would disclose any **Contracting Site** specific information and/or any pricing in relation to such **Contracting Site**.

9. **PUBLICATION OF GENERATION CURTAILMENT INFORMATION**

- 9.1 **The Company** shall use reasonable endeavours to publish on its website within five **Business Days** of signature of a **Generation Curtailment Service Agreement**, or within five **Business Days** of receipt of any updated information in accordance with this Paragraph 9, details of the following information in respect of each **Generation Curtailment Contracted Site(s)** specified in such **Generation Curtailment Service Agreement**:-

- (a) the **Generation Curtailment Utilisation Price**;

- (b) the **Indicative Generation Curtailment Capability**;
- (c) the Commencement and Term of the Agreement,

in such form and manner as shall be prescribed by **The Company** from time to time.

9.2 In respect of each **Operational Day** in a calendar month, **The Company** shall, by the tenth **Business Day** of the calendar month following that calendar month, publish on its web-site in respect of each relevant **Generation Curtailment Agreement** the following details of each **Generation Curtailment Instruction** (if any) issued by **The Company** in accordance with Paragraph 9:-

- (a) the **Generation Curtailment Utilisation Price**;
- (b) the period(s) for which **Generation Curtailment** has been provided;
- (c) the MW level(s) delivered as **Generation Curtailment**,

in such form and manner as shall be prescribed by **The Company** from time to time.

9.3 Each **Generator** consents to the disclosure by **The Company** of the information referred to at Paragraphs 9.1 and 9.2 above in so far as it relates the provision of **Generation Curtailment** from its **Contracted Site(s)**, provided always that **The Company** shall not be bound to comply with the provisions of this Paragraph with regard to the provision of information to the extent that to do so would be likely to restrict, distort or prevent competition in the provision of **Generation Curtailment**.

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

SIGNED on behalf of)
NATIONAL GRID)
ELECTRICITY TRANSMISSION plc)

SIGNED on behalf of)
 [])

SCHEDULE B

DATA

Type of Data	Amount
Maximum Utilisation Period	[]
Minimum Utilisation Period	[]
Stable Export Limit	[]MW
Maximum Export Limit	[]MW
Utilisation Price	[£] per MW per hour

