DATED [•]

[•] as Generator

and

LOW CARBON CONTRACTS COMPANY LIMITED as CfD Counterparty

PRIVATE NETWORK CFD AGREEMENT RELATING TO [name of Project]

521901445

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**THIS PRIVATE NETWORK CFD AGREEMENT** is dated [•] (the "Agreement Date") and made between:

- (1) *[•]* (the "**Generator**"); and
- (2) **LOW CARBON CONTRACTS COMPANY LIMITED**, a company incorporated under the laws of England and Wales whose registered office is [•] and whose company number is 08818711 (the "CfD Counterparty").

## BACKGROUND

- (A) This Private Network CfD Agreement is entered into following the applicable contract allocation or negotiation process established under or by virtue of the EA 2013.
- (B) The Generator has satisfied the Eligibility Criteria.
- (C) The CfD Counterparty is a company wholly owned by the UK Government and is entering into this Private Network CfD Agreement solely for the purpose of implementing the provisions of the EA 2013.
- (D) This Private Network CfD Agreement, together with the terms and conditions set out in version [●] of the document entitled "FiT Contract for Difference Standard Terms and Conditions" as at [*date*], constitute the "standard terms" (as defined in section 11(1) of the EA 2013).

**IT IS AGREED** as follows:

## 1. DEFINITIONS AND INTERPRETATION

- 1.1 Except as expressly stated in this Private Network CfD Agreement, words and expressions defined in the Conditions shall have the same meanings when used in this Private Network CfD Agreement. Where a term is defined both in this Private Network CfD Agreement and in the Conditions, the definition in this Private Network CfD Agreement shall apply instead of the definition in the Conditions.
- 1.2 In this Private Network CfD Agreement and its recitals:

"Adjusted Output Period" means a period of reduced or increased generation output by the Facility occurring during the Term as a direct result of a Qualifying Change in Law;

"Annual Balancing System Charge" means in respect of any Strike Price Adjustment Calculation Period, the amount expressed in £/MWh) equal to:

(A) the total net BSUoS Charges payable by electricity generators in Great Britain in respect of the relevant Balancing System Charge Review Period less (where they are receivable) the total net RCRC Credits receivable or plus (where they are payable) the total net RCRC Credits payable, in each case by electricity generators in Great Britain in respect of such Balancing System Charge Review Period; divided by  (B) the total metered output (expressed in MWh) of those electricity generators in Great Britain (not being Embedded Generators or Private Network Generators) in such year;

"Annual TLM(D) Charges" means in respect of any calendar year, the TLM(D) Charges for the relevant calendar year expressed as a percentage of the total electricity generation (in MWh) of electricity generators in Great Britain (excluding Embedded Generators and Private Network Generators) in such calendar year;

"CfD Audit" means an audit, check, examination or inspection conducted by the CfD Counterparty and/or its appointed representative in accordance with Clause 7 of this Private Network Private Network CfD Agreement, the Private Network Metering Operational Framework and the Private Network Technical System Requirements: (i) once every three years in accordance with the timings set out in the Private Network Metering Operational Framework (a "Routine CfD Audit") and (ii) with such greater frequency as considered necessary by the CfD Counterparty, acting reasonably, to fulfil the CfD Audit Purposes (a "Non-Routine CfD Audit");

"CfD Audit Contact Information" means the Generator's contact information or the contact information of its appointed representative provided to the CfD Counterparty for the CfD Audit Purposes in the form specified in Annex 11 (CfD Audit Contact Information) of this Private Network CfD Agreement, and which must:

- (i) allow the Generator or its appointed representative to be contacted by the CfD Counterparty at all times and without prior notice; and
- enable CfD Counterparty or its appointed representative to obtain such access as they require within three hours of the contact information first being used for such purposes by the CfD Counterparty or its appointed representative;

"**CfD Audit Purposes**" means enabling and assisting the CfD Counterparty (including by way of audit, check, examination or inspection) to confirm that the Generator is complying with the Metering Compliance Obligation, the Electrical Schematic Obligation and (where appropriate) the FMS Audit Right;

"CfD Audit Right" has the meaning given to that term in Clause 7.1 of this Private Network CfD Agreement;

"CfD Audit Termination Event" has the meaning given to that term in Clause 7.15 of this Private Network CfD Agreement;

"Clock Change Day" means the 24 hour period commencing at 00:00 during which a step change in local time occurs in accordance with the beginning and ending of summer time in Great Britain as defined by the Summer Time Act 1972;

"Communications Equipment" means in respect of any Metering Equipment:

- (A) the terminating equipment (which may include a modem) necessary to convert data from such Metering Equipment into a state for transmission to the CfD Counterparty or the CfD Settlement Services Provider; and
- (B) the exchange link which is connected to that terminating equipment, including (for the avoidance of doubt) any Outstation;

"**Conditions**" means the terms and conditions set out in version 1 of the document entitled "FiT Contract for Difference Standard Terms and Conditions" as at [*date*] (as amended, modified, supplemented or replaced by this Private Network CfD Agreement and as may be amended, modified, supplemented or replaced from time to time in accordance with the Conditions);

"Customer Meter" means the Meter of an Onsite Customer for the purposes of measuring the Customer Metered Volume;

"Customer Metered Volume" means, in relation to a Settlement Unit, the volume of electricity determined as at a Customer Metering Point, which flowed in relation to that Settlement Unit, and where there are multiple Customer Metering Points, the Customer Metered Volume shall mean the aggregate of the input volumes of electricity supplied by the Generator to the Onsite Customers as measured at those Customer Metering Points [(and, for the avoidance of doubt, the Customer Metered Volume for an Islanded Generator shall be equal to zero (0)];<sup>1</sup>

"**Customer Metering Point**" means, in relation to an Onsite Customer, a Meter located at that Onsite Customer for the purposes of measuring the electricity supplied by the Generator to that Onsite Customer for the CfD Settlement Activities;

"**Distribution System**" has the meaning given to that term in section 4(4) of the EA 1989;

"EA 1989" means the Electricity Act 1989;

"Facility" means [the generating facility comprising all assets (including all Generating Units):

- (A) which are used (or intended to be used) to generate or deliver electricity;
- (B) which were taken into account by the Generator in determining the Initial Installed Capacity Estimate; and
- (C) which are (except as otherwise agreed in writing by the CfD Counterparty) situated within the area shaded on the map contained in Annex 1 (Description of

<sup>&</sup>lt;sup>1</sup> Drafting note: To be retained where the Generator is an Islanded Generator.

the Facility) and which has the geographical coordinates specified in Annex 1 (Description of the Facility).

adjusted where the context requires to take due account of any changes to the composition of such assets arising as a result of, or giving rise to:

- (i) any reduction to the Installed Capacity Estimate pursuant to Condition 5 (Adjustment to Installed Capacity Estimate: Relevant Construction Event);
- (ii) any adjustment to the Installed Capacity Estimate pursuant to Condition 6 (Adjustment to Installed Capacity Estimate: Permitted reduction); and
- (iii) the agreement or determination of the Final Installed Capacity pursuant to Condition 7 (Final Installed Capacity; Maximum Contract Capacity),

and otherwise excluding all assets forming part of the Transmission System or a Distribution System]<sup>2</sup>/ [the generating facility comprising:

- (A) all assets (including all Generating Units):
  - (i) which are used (or intended to be used) to generate or deliver electricity;
  - (ii) which were taken into account by the Generator in determining the Initial Installed Capacity Estimate; and
  - (iii) which are (except as otherwise agreed in writing by the CfD Counterparty) situated within the area shaded on the map contained in Annex 1 (Description of the Facility) and which has the geographical coordinates specified in Annex 1 (Description of the Facility),

adjusted where the context requires to take due account of any changes to the composition of such assets arising as a result of, or giving rise to:

- (a) any reduction to the Installed Capacity Estimate pursuant to Condition 5 (Adjustment to Installed Capacity Estimate: Relevant Construction Event);
- (b) any adjustment to the Installed Capacity Estimate pursuant to Condition 6 (Adjustment to Installed Capacity Estimate: Permitted reduction); and
- (c) the agreement or determination of the Final Installed Capacity pursuant to Condition 7 (Final Installed Capacity; Maximum Contract Capacity);

<sup>&</sup>lt;sup>2</sup> Drafting note: To be retained only if the Facility Generation Technology applicable to the Contract for Difference is <u>not</u> Offshore Wind.

- (B) all assets owned by the Generator and comprised or to be comprised within the Offshore Transmission System of such generating facility except for the purposes of:
  - in Condition 1.1 (Definitions), the definitions of "Competent Authority", "Discriminatory Change in Law", "Eligibility Criteria", "Foreseeable Change in Law", "Generation Tax Liability", "QCiL Capital Costs", "QCiL Capital Saving", "QCiL Construction Event", "QCiL Construction Event Costs", "QCiL Operations Cessation Event", "Qualifying Shutdown Event", "Required Authorisation" and "Specific Change in Law";
  - (ii) Conditions 28.2(A), 30.1(E), 31.11 and 36.1; and
  - (iii) paragraph 9.3 of Annex 3 (Facility Generation Type) to the Conditions,

and otherwise excluding all other assets forming part of the Transmission System or a Distribution System]<sup>3</sup>;

"Facility Metering Equipment" means the Metering Equipment measuring the flows of electricity associated with the Facility, its Metering System, any Onsite Customer (including any Customer Meter) and, in the case of a Dual Scheme Facility, the Metering Equipment used to measure the Imported Input Electricity of the Generating Station;

"Force Majeure" means any event or circumstance (including any event or circumstance resulting from any action or omission by or of any CfD Settlement Services Provider) that is beyond the reasonable control of the FM Affected Party or, if relevant, its Representatives (in the case of the Generator and its Representatives, acting and having acted to a Reasonable and Prudent Standard) which the FM Affected Party or its Representative (as appropriate) could not reasonably have avoided or overcome and which is not due to the FM Affected Party's fault or negligence (or that of its Representatives), provided always that neither non-availability of funds nor the lack of funds shall ever constitute Force Majeure;

"Generating Unit" means any apparatus which produces electricity;

"Generator Metered Volume" means, in relation to a Settlement Unit, the net aggregate volume of electricity determined as at the Generator Metering Point, which flowed in that Settlement Unit;

<sup>&</sup>lt;sup>3</sup> Drafting note: To be retained only if the Facility Generation Technology applicable to the Contract for Difference is Offshore Wind.

"Generator Metering Point" means the point at which Generator Metered Volume is measured for the purposes of the CfD Settlement Activities and is net of any Generating Unit demand for electricity;

"Grid Connection Application" means an application by an Islanded Generator for connection to the Total System, made in accordance with Clause 9.6 of this Private Network CfD Agreement;

"Hybrid Generator" means a Private Network Generator who supplies electricity to an Onsite Customer and who has the ability to spill any excess electricity to a licensed network;

"Industry Documents" means all agreements, codes, standards and instruments regulating the generation, transmission, distribution, supply or trading of electricity in Great Britain, including the Private Network Metering Operational Framework and the Private Network Technical System Requirements, and "Industry Document" shall be construed accordingly;

"Initial CP Provisions" means Part 4 (*Adjustments to Installed Capacity Estimate*), Part 9 (*Generation Tax*), Part 10 (*Balancing system (BSUoS/RCRC) and TLM(D)*), Annex 4 (*BMRP*) and Annex 5 (*IMRP*);

"Islanded Generator" means a Private Network Generator who supplies electricity solely to the Private Network on which it operates and who does not have a connection to the Total System;

"Line Loss Factor" means a multiplier used to scale the volume of electricity generated to account for losses on the Distribution System and shall, in relation to a Private Network Generator, be applied in accordance with the provisions of the BSC;

#### "Loss Adjusted Metered Output" means:

- (A) in respect of any Facility which is not a Dual Scheme Facility, the Net Metered Volume for the Facility in respect of a Settlement Unit as measured by the Facility Metering Equipment, adjusted for:
  - (i) the applicable Line Loss Factor; or
  - (ii) any new or substituted multiplier or factor which is in the nature of, or similar to, a Line Loss Factor; and
  - (iii) the applicable Transmission Loss Multiplier; or
  - (iv) any new or substituted multiplier which is in the nature of, or similar to, a Transmission Loss Multiplier, or
- (B) in respect of any Facility which is a Dual Scheme Facility, the Net Metered Volume for the Facility in respect of a Settlement Unit as measured by the Facility Metering Equipment less the Imported Electricity Allowance of the

Facility in respect of such Settlement Unit (as determined in accordance with Condition 13 (*Baseload Dual Scheme Facilities*) or Condition 19 (*Intermittent Dual Scheme Facilities*) (as applicable)), such net amount being adjusted for:

- (i) the applicable Line Loss Factor; or
- (ii) any new or substituted multiplier or factor which is in the nature of, or similar to, a Line Loss Factor; and
- (iii) the applicable Transmission Loss Multiplier; or
- (iv) any new or substituted multiplier which is in the nature of, or similar to, a Transmission Loss Multiplier;

"Loss of Onsite Customer Termination Event" has the meaning given to that term in Clause 9.7(B) of this Private Network CfD Agreement;<sup>4</sup>

"Loss of Route to Market Termination Event" has the meaning given to that term in Clause 9.7(B) of this Private Network CfD Agreement;<sup>5</sup>

"Material Change" means a change to the Metering Equipment or Communications Equipment other than a change by way of repair, modification or replacement of any component which is not a substantial part of the Metering System even where an enhanced or equivalent component is used for the repair, modification or replacement rather than an identical component;

"Meter" has the meaning given to that term in the Private Network Metering Operational Framework;

"Meter Serial Number" has the meaning given to that term in the Private Network Metering Operational Framework;

"Metered Volume" means the Customer Metered Volume and/or the Generator Metered Volume, as the context requires;

"**Metering Equipment**" means Meters, measurement transformers (voltage, current or combination units), metering protection equipment including alarms, circuitry, associated Communications Equipment and Outstations and wiring;

"Metering Remediation Plan" means a plan developed by the Generator setting out the appropriate milestones and actions to be taken in order to remedy a breach of its Metering Compliance Obligation which is consistent with its obligations pursuant to the

<sup>&</sup>lt;sup>4</sup> Drafting Note: To be included for Islanded Generators.

<sup>&</sup>lt;sup>5</sup> Drafting Note: To be included for Islanded Generators.

Private Network Metering Operational Framework and the Private Network Technical System Requirements;

"**Metering System**" means particular commissioned Metering Equipment installed for the purposes of measuring the quantities of exports and imports of electricity at the Generator Metering Point or the Customer Metering Points;

"Metering Points" means the Generator Metering Point and the Customer Metering Point;

"**Net Metered Volume**" means Generator Metered Volume less Customer Metered Volume;

"**Non-Routine CfD Audit**" has the meaning given to that term in Clause 7.8 of this Private Network CfD Agreement;

"Offshore Transmission System" has the meaning given to that term in the Grid Code and shall include Offshore Transmission System Assets;

"Offshore Transmission System Assets" has the meaning given to that term in the Grid Code;

"**Onsite Customer**" means a customer of which the Generator is the supplier of electricity pursuant to a Market Supply Agreement and which is located on the same Private Network as the Generator;

"Outstation" has the meaning given to that term in the Private Network Metering Operational Framework;

"**Private Network Dispute Resolution Procedure**" means the dispute resolution procedure set out in Clause 16.6 of this Private Network CfD Agreement;

"**Private Network Generator**" means a Generator in relation to a Generating Station which:

- (A) is exempt from the requirement to hold a license for the generation of electricity pursuant to the Electricity (Class Exemptions from the Requirement for a License) Order 2001; and
- (B) does not exclusively generate electricity for or convey electricity on a licensed Distribution System or the Licensed Transmission System.

"Private Network Metering Operational Framework" means the document containing rules in relation to metering for Private Network Generators, as set out in Annex [•] ([•]) of the Conditions;

"**Private Network**" means a network for the distribution of electricity which is not operated by a Licensed Distributor;

"**Private Network Suspension Notice**" has the meaning given to that term in Clause [9.4] of this Private Network CfD Agreement;

"Private Network Technical System Requirements" means the document containing technical information relating to Metering Points, measured quantities and demand values for Metering Systems, Metering Equipment criteria and commissioning, records and proving, as set out in Annex [•] ([•]) of the Conditions;

"Residual Cashflow Reallocation Cashflow" has the meaning given to that term in the BSC;

"Route to Market" means:

- (A) in relation to a Hybrid Generator only, a Grid Connection; and
- (B) in relation to either an Islanded Generator or a Hybrid Generator, a Market Supply Agreement with an Onsite Customer;

"Routine CfD Audit" has the meaning set out in Clause 7.4 of this Private Network CfD Agreement;

"Routine CfD Audit Notice" has the meaning set out in Clause 7.5 of this Private Network CfD Agreement;

"Sustainability Criteria" means the criteria set out in Annex 5 (Sustainability Criteria) of this Private Network CfD Agreement;

**"Technical Assurance**" means compliance by the Generator with the requirements, in relation to Metering Systems, as set out in the Private Network Metering Operational Framework and the Private Network Technical System Requirements;

**"Technical Assurance Agent**" means the third-party agent or representative appointed by the CfD Counterparty with responsibility for Technical Assurance;

"TLM(D)" means:

- (A) the Transmission Loss Multiplier; and
- (B) any new or substituted multiplier which is in the nature of, or similar to, the Transmission Loss Multiplier;

"Total System" means the Transmission System and each Distribution System;

"Transmission Loss Multiplier" means a multiplier used to scale the volume of electricity generated to account for losses on the Transmission System and shall, in relation to a Private Wire Generator, be applied in accordance with the provisions of the BSC; and

**"Transmission System**" has the meaning given to that term in the Private Network Metering Operational Framework and Private Wire Technical System Requirements.

- 1.3 The definitions set out in Condition 1.1 (Definitions) of the Conditions for each of the following terms shall not apply to this Private Network CfD Agreement: "Adjusted Output Period", "Annual QCPC Report", "Black Start", CPC Compensation Shortfall", "Curtailment", "Curtailment Compensation", "Curtailment Compensation Anniversary", "Curtailment Compensation Excess", "Curtailment Compensation Shortfall", "Defined Curtailment Compensation", "Defined Partial Curtailment Compensation", "Distribution Code", "Distribution Connection and Use of System Agreement", "Emergency Deenergisation Instruction", "Force Majeure", "Industry Document", "Initial CP Provisions", "Loss Adjusted Metered Output", "Master Registration Agreement", "Metering Remediation Plan", "NETSO", "Partial Curtailment", "Partial Curtailment Compensation", "Partial Curtailment Compensation Excess", "Partial Curtailment Compensation Shortfall", "Preliminary Annual QCPC Report", "Qualifying CPC Event", "Qualifying Curtailment", "Qualifying Partial Curtailment" and "SOTO Code".
- 1.4 Condition 1.2 (*BSC Definitions*) of the Conditions shall not apply to this Private Network CfD Agreement.
- 1.5 All references to "MSID" in the Conditions shall be deleted and replaced with the words "Meter Serial Number".

### 2. AGREEMENT

#### The Generator

2.1 The Generator shall, as from the Agreement Date, comply with this Private Network CfD Agreement (including the Conditions) as the "**Generator**" and agrees that the Conditions are hereby incorporated into this Private Network CfD Agreement as if they were clauses of this Private Network CfD Agreement.

## The CfD Counterparty

2.2 The CfD Counterparty shall, as from the Agreement Date, comply with this Private Network CfD Agreement (including the Conditions) as the "CfD Counterparty" and agrees that the Conditions are hereby incorporated into this Private Network CfD Agreement as if they were clauses of this Private Network CfD Agreement.

## Specific terms

- 2.3 [The Parties have agreed to amend the Conditions as set out in Annex 2 (Modification Agreement).<sup>6</sup>]
- 2.4 The Parties agree that, for the purposes of this Private Network CfD Agreement, the Conditions shall be amended, modified, supplemented or replaced in accordance with the terms of this Private Network CfD Agreement.

## 3. TERM

The **"Specified Expiry Date**" applicable to this Private Network CfD Agreement is: [*the* 15<sup>th</sup> anniversary of the earlier of the Start Date and the last day of the Target Commissioning Window]/[31 March, 2027].<sup>7</sup>

# 4. PRIVATE NETWORK METERING OPERATIONAL FRAMEWORK AND PRIVATE NETWORK TECHNICAL SYSTEM REQUIREMENTS

- 4.1 The Generator shall comply at all times with the requirements of the Private Network Metering Operational Framework (as amended from time to time) and the Private Network Technical System Requirements. The Private Network Technical System Requirements applicable to this Private Network CfD Agreement shall be the version current at the date of this Private Network CfD Agreement, save that in the event of a Material Change, the applicable Private Network Technical System Requirements shall be the version current at the date of that Material Change.
- 4.2 Amendments to the Private Network Metering Operational Framework and the Private Network Technical System requirements shall be subject to the Change Control Procedure in Annex 2 (*Change Control Procedure*) to the Conditions.

## 5. METERING

## Generator Metered Volume and Customer Metered Volume

5.1 Subject to Clause 5.2, the Generator (and not any Onsite Customer) shall be responsible for providing the Generator Metered Volume and the Customer Metered Volume to the CfD Settlement Services Provider in relation to each Settlement Unit and must ensure that it, or any third-party data collector appointed by it, has sufficient access rights (pursuant to any Market Supply Agreement or otherwise) in relation to the Customer Meter and any associated Metering Equipment to be able to do so.

<sup>&</sup>lt;sup>6</sup> Drafting note: To be retained only if specific amendments to any given Contract for Difference are agreed to be made.

<sup>&</sup>lt;sup>7</sup> Drafting note: 31 March, 2027 will apply as the expiry date for Biomass Conversion.

- 5.2 Where the Generator is an Islanded Generator, it shall not be required to submit the Customer Metered Volume.
- 5.3 Where the Generator is a Hybrid Generator, the Generator Metered Volume and the Customer Metered Volume in relation to a Settlement Unit must be provided to the CfD Settlement Services Provider by the Generator or its appointed third-party data collector simultaneously.
- 5.4 The Generator may submit the required Information in relation to Metered Volume in respect of each Settlement Unit directly to the CfD Settlement Services Provider or may appoint a third-party data collector to do so on its behalf.
- 5.5 Such Information must be provided by the Generator or its appointed third-party data collector to the CfD Settlement Services Provider on a [*daily*] [*weekly*] basis.
- 5.6 The Generator may notify the CfD Counterparty if it wishes to change the frequency with which it provides Metered Volume to the CfD Settlement Services Provider. Such a notice shall be in the form set out in Annex 12 (*Metered Volume Submission Frequency Change Notice*) to this Private Network CfD Agreement and shall state the desired frequency and the Generator's preferred date for such change to take effect (which shall in any event be not less than two months from the date of the notice). The CfD Counterparty may approve such a request at its discretion. An administrative fee may be charged for this purpose in accordance with the Private Network Metering Operational Framework.

#### Calculation of Metered Output

- 5.7 Condition [10.1(A)] [18.1]<sup>8</sup> shall be amended by the insertion of the words "*plus the Customer Metered Volume in relation to that Settlement Unit*" after the words "*the CfD Counterparty*".
- 5.8 Condition [10.3] [18.3] of the Conditions shall be deleted and replaced with the following:
  - "10.3 The estimated Loss Adjusted Metered Output for each Estimated Output Settlement Unit comprised within an Estimated Output Billing Period (the "Estimated Metered Output") shall be calculated by the CfD Counterparty as being either:
    - (A) the Loss Adjusted Metered Output in the most recent Settlement Unit prior to the Estimated Output Settlement Unit for which the CfD Counterparty has received notification of the Loss Adjusted Metered

<sup>&</sup>lt;sup>8</sup> Drafting note: References to Condition 10 to be retained where technology is a Baseload Technology and reference to Condition 18 to be retained where technology is an intermitted Technology.

Output from the CfD Settlement Services Provider (the "Last Reported Output"); or

- (B) if a CfD Audit has been conducted since the Last Reported Output, the Loss Adjusted Metered Output calculated by the CfD Counterparty on the basis of any Meter reading obtained during the CfD Audit."
- "18.3 Subject to Conditions 18.4 and 18.5, the estimated Loss Adjusted Metered Output for each Estimated Output Settlement Unit comprised within an Estimated Output Billing Period (the "Estimated Metered Output") shall be calculated by the CfD Counterparty as being either:
  - (A) the arithmetic mean of the Loss Adjusted Metered Output for the corresponding Settlement Units in each of the seven (7) Billing Periods immediately prior to the Estimated Output Billing Period for which the CfD Counterparty has received notification of the Loss Adjusted Metered Output from the CfD Settlement Services Provider (the "Last Reported Output"); or
  - (B) if a CfD Audit has been conducted since the Last Reported Output, the Loss Adjusted Metered Output calculated by the CfD Counterparty on the basis of any Meter reading obtained during the CfD Audit."
- 5.9 Each remaining instance of the words "a BSC Company or a BSC Agent" in Condition [10] [18] of the Conditions shall be deleted and replaced with the words "the CfD Settlement Services Provider".

#### Failure to provide Metered Volume

- 5.10 For the avoidance of doubt, if the Generator is a Hybrid Generator and has not provided:
  - (i) the Generator Metered Volume;
  - (ii) the Customer Metered Volume; or
  - (iii) any Metered Volume,

Conditions [10.2 to 10.4] [18.2 to 18.6] of the Conditions shall apply.

### 6. ONSITE CUSTOMER METERING

6.1 Where the Generator is a Hybrid Generator, it shall ensure that a Customer Meter is installed at an appropriate location to measure the electricity supplied by the Generator to an Onsite Customer. Where the Generator has more than one Onsite Customer, the Generator shall ensure that a separate Customer Meter is installed for each Onsite Customer. Where the Generator is an Islanded Generator, no Customer Meter shall be required.

- 6.2 The Generator shall ensure, to the extent applicable, that a Customer Meter meets the same rules and standards set out in the Private Network Metering Operational Framework and Private Network Technical System Requirements as apply to the Generator in relation to its Meter and a Customer Meter shall form part of the Facility Metering Equipment. The Generator shall be responsible for the commissioning installation and the ongoing maintenance, inspection and testing of a Customer Meter.
- 6.3 The Generator shall procure that the CfD Counterparty is granted such access to any Customer Meter and any associated Metering Equipment as is reasonably necessary for the CfD Counterparty or its appointed representative to complete the CfD Audit and fulfil the CfD Audit Purposes.

# 7. CFD AUDIT RIGHT

# Scope of CfD Audit Right

- 7.1 The CfD Counterparty and/or its appointed representative shall be entitled to perform a CfD Audit of the following as the CfD Counterparty considers reasonably necessary to fulfil the CfD Audit Purposes:
  - (A) (i) the Facility; (ii) the Facility Metering Equipment; (iii) any plant, machinery, processing or storage facility associated with the Facility; (iv) a Customer Meter and associated Metering Equipment; and (v) any other relevant property as specified in the Private Network Metering Operational Framework, in each case where the Generator can lawfully grant access;
  - (B) the books and records of the Generator, including those located offsite; and
  - (C) the directors, officers and employees of the Generator (who will be instructed to give promptly all Supporting Information reasonably requested by CfD Counterparty (and any suitable qualified persons nominated by it)),

## (the "CfD Audit Right").

- 7.2 The Generator shall grant or shall procure that the CfD Counterparty and/or any suitably-qualified persons nominated by the CfD Counterparty are granted such access as the CfD Counterparty considers reasonably necessary for the full exercise of the CfD Audit Right, including (but not limited to) access to any Customer Meter and associated Metering Equipment.
- 7.3 A CfD Audit may have the following outcomes:
  - (A) the Generator is found to be fully compliant with the CfD Audit Right and the CfD Audit Purposes, including the Metering Compliance Obligation, the Electrical Schematic Obligation and (where applicable) the FMS Audit Right; or
  - (B) the Generator is found to be in breach of the CfD Audit Right, in which case Clause 7.13 of this Private Network CfD Agreement shall apply; and/or

- (C) the Generator is found to be in breach of the Metering Compliance Obligation, in which case Conditions 31.2 to 31.7 (inclusive) of the Conditions shall apply; and/or
- (D) the Generator is found to be in breach of the Electrical Schematic Obligation, in which case Conditions 31.7 to 31.10 (inclusive) of the Conditions shall apply; and/or
- (E) the Generator is found to be in breach of the FMS Audit Right, in which case paragraphs 3.4 and 3.5 of Part A of Annex 7 (*FMS arrangements and RQM Calculation Methodology*) to the Conditions shall apply.

## Routine CfD Audit

- 7.4 The CfD Counterparty and/or its appointed representative shall conduct a CfD Audit in the ordinary course once every three years (the "**Routine CfD Audit**") in accordance with the programme set out in the Private Network Metering Operational Framework.
- 7.5 If the CfD Counterparty intends to exercise the CfD Audit Right for the purposes of completing a Routine CfD Audit, it shall give a notice to the Generator (the "**Routine CfD Audit Notice**"). A Routine CfD Audit Notice shall:
  - (A) be substantially in the form set out in Annex 8 (*Routine CfD Audit Notice*) to this Private Network CfD Agreement;
  - (B) specify that the CfD Counterparty (and/or suitably qualified persons nominated by it) intends to exercise the CfD Audit Right for the purposes of conducting a Routine CfD Audit; and
  - (C) specify the date by which the Generator shall permit, or procure, the exercise of the CfD Audit Right.
- 7.6 On receipt of a Routine CfD Audit Notice, the Generator shall permit or procure that the CfD Counterparty is permitted to exercise the CfD Audit Right at such time as the CfD Counterparty may nominate, which shall be at least ten (10) Business Days after despatch of the Routine CfD Audit Notice.
- 7.7 Reasonable costs incurred in undertaking the Routine CfD Audit, including reasonable costs incurred by the CfD Counterparty and/or its appointed representative in attending the Facility and any Onsite Customer and further including the costs of any tests which form part of that Routine CfD Audit, shall be borne by the Generator (but without prejudice to its right to charge any other person for such service pursuant to another agreement or arrangement). All other costs of the CfD Counterparty or its appointed representative in relation to the Routine CfD Audit shall be borne by the CfD Counterparty.

### Non-Routine CfD Audit

- 7.8 In addition to its right to conduct a Routine CfD Audit, the CfD Counterparty shall also be entitled to exercise the CfD Audit Right without giving prior notice to the Generator (a "Non-Routine CfD Audit") and the Generator shall permit or procure that the CfD Counterparty is permitted to exercise the CfD Audit Right on that basis.
- 7.9 If the CfD Counterparty and/or its appointed representative are/is unable to gain the access needed to complete the Non-Routine CfD Audit or are/is otherwise prevented from doing so, the CfD Counterparty and/or its appointed representative shall use the CfD Audit Contact Information to seek the access needed to complete the CfD Audit. If the CfD Counterparty is not able to obtain such access within three hours of first using the CfD Audit Contact Information, then a breach of the CfD Audit Right shall be deemed to have occurred and Clauses 7.13 to 7.15 of this Private Network CfD Agreement shall apply.
- 7.10 Reasonable costs incurred in undertaking the Non-Routine CfD Audit, including reasonable costs incurred by CfD Counterparty and/or its appointed representative in attending the Facility and any Onsite Customer and further including the costs of any tests which form part of that Non-Routine CfD Audit, shall be borne by the Generator (but without prejudice to its right to charge any other person for such service pursuant to another agreement or arrangement). However, where the CfD Audit returns an outcome in accordance with Clause 7.3(A) or the Generator is otherwise not to be found to be in material breach of the CfD Audit Right and the CfD Audit Purposes, any costs reasonably incurred by the Generator in carrying out any inspections and tests required by the CfD Counterparty as part of the Non-Routine CfD Audit (but excluding any costs associated with the attendance of the Generator or its representatives), shall be borne by the CfD Counterparty. For the purposes of this Clause 7.10, "material breach" shall mean a breach which has a material impact on the Information in relation to Metered Volume provided for the purposes of the CfD Settlement Activities.
- 7.11 For the avoidance of doubt, the timing of a Non-Routine CfD Audit shall not affect the timing or frequency of a Routine CfD Audit.
- 7.12 The CfD Counterparty may conduct as many Non-Routine CfD Audits as it considers reasonably necessary.

## Failure to comply with CfD Audit Right

7.13 If the Generator is in breach of its obligation to permit the CfD Counterparty to exercise the CfD Audit Right, the CfD Counterparty may elect to suspend payment of any Net Payable Amounts which would otherwise be payable by the CfD Counterparty to the Generator in any period during which the Generator is in breach of such obligation, provided that, prior to effecting any such suspension, the CfD Counterparty shall notify the Generator of: (i) its intention to suspend payment of any Net Payable Amounts; and (ii) the date from which it proposes to effect such suspension.

- 7.15 If the Generator:
  - (A) fails to comply with its obligations under Clauses 7.6, 7.8 or 7.9 (as applicable); and
  - (B) has not permitted the CfD Counterparty to exercise its CfD Audit Right within ten (10) Business Days following the latest permitted date for compliance with its obligations pursuant to Clauses 7.6, 7.8 or 7.9 (as applicable),

then a CfD Audit Termination Event will be deemed to have occurred.

- 7.16 Condition 52.1 of the Conditions shall be amended by the addition of new Conditions 52.1(G) and 52.1(H) as follows:
  - (G) *CfD Audit*: A CfD Audit Termination Event.
  - (H) *Route to Market*: A Loss of Onsite Customer Termination Event or a Loss of Route to Market Termination Event.

## 8. GENERATION TECHNOLOGY TYPE

#### Facility Generation Technology

- 8.1 The Facility Generation Technology applicable to this Private Network CfD Agreement is [•]<sup>9</sup>[, provided that for the purposes of paragraph (A) of the definition of Specific Change in Law or paragraphs (B) or (C) of the definition of Other Change in Law, Offshore Wind and Onshore Wind [may]/[shall] be deemed to be one Facility Generation Technology].<sup>10</sup>
- 8.2 The Facility Generation Technology is a [*Baseload*]/[*Intermittent*]<sup>11</sup> Technology.

## Renewable Qualifying Multiplier

8.3 The Renewable Qualifying Multiplier [*does not apply*]/[*applies*]<sup>12</sup> to this Private Network CfD Agreement.

<sup>&</sup>lt;sup>9</sup> Drafting note: This is to be one of the Technology Types listed in column 1 of the Target Commissioning Window and Longstop Date Table in the Notes to this Private Network CfD Agreement.

<sup>&</sup>lt;sup>10</sup> Drafting note: This clause to be retained if the Facility Generation Technology is Offshore Wind or Onshore Wind.

<sup>&</sup>lt;sup>11</sup> Drafting note: Delete as applicable.

8.4 [The "Assumed RQM" applicable to this Private Network CfD Agreement is [to be specified]<sup>13,14</sup>]

### CHP Qualifying Multiplier

8.5 The CHP Qualifying Multiplier [*does not apply*]/[*applies*]<sup>15</sup> to this Private Network CfD Agreement.

### [Baseload Technology]/[Intermittent Technology]<sup>16</sup>

8.6 The Parts and Annexes to the Conditions referenced in Part [*A*]/[*B*]<sup>17</sup> of Annex 3 (Facility Generation Type) shall apply to this Private Network CfD Agreement.

### Fuelling Criteria

- 8.7 For the purposes of this Private Network CfD Agreement, the "Fuelling Criteria" means the criteria specified in Annex 4 (Fuelling Criteria) in relation to the Facility Generation Technology. If Annex 4 (Fuelling Criteria) does not specify any Fuelling Criteria in relation to the Facility Generation Technology, such definition shall be deemed to be inapplicable to the Contract for Difference.
- 8.8 [Paragraph 5 (Failure to comply with Fuelling Criteria) of Part B of Annex 7 (FMS arrangements and RQM Calculation Methodology) to the Conditions shall, for the purposes of this Private Network CfD Agreement, be substituted with the following Condition:

"Subject to paragraph 3 (Deemed RQM: Strike Price below Market Reference Price), if the Generator fails to comply with paragraph (A) of the Fuelling Criteria in any RQM Calculation Month, then the CfD Counterparty may elect to calculate or recalculate the Renewable Qualifying Multiplier for that RQM Calculation Month on the basis that the Renewable Qualifying Multiplier may be deemed to be zero (0)."<sup>18</sup>]

- <sup>15</sup> Drafting note: Delete as applicable.
- <sup>16</sup> Drafting note: Delete as applicable.
- <sup>17</sup> Drafting note: Delete as applicable.
- <sup>18</sup> Drafting note: This clause to be retained if the Facility Generation Technology is Advanced Conversion Technology, Anaerobic Digestion, Landfill Gas or Sewage Gas.

<sup>&</sup>lt;sup>12</sup> Drafting note: Delete as applicable.

<sup>&</sup>lt;sup>13</sup> Drafting note: To be completed by DECC by reference to the Delivery Plan.

<sup>&</sup>lt;sup>14</sup> Drafting note: Retain and complete if the Renewable Qualifying Multiplier applies to the Contract for Difference.

### Sustainability Criteria

8.9 The Sustainability Criteria [do]/[do not]<sup>19</sup> apply to this Private Network CfD Agreement.

### [Baseload Dual Scheme Facility

8.10 The Facility is a Baseload Dual Scheme Facility.<sup>20</sup>]<sup>21</sup>

### [Intermittent Dual Scheme Facility

8.11 The Facility is an Intermittent Dual Scheme Facility.<sup>22</sup>]<sup>23</sup>

#### [Eligible Low Capacity Project

8.12 The Facility is an Eligible Low Capacity Facility.]<sup>24</sup>

### 9. PRIVATE NETWORK GENERATOR ROUTE TO MARKET

9.1 The Generator must at all times demonstrate a Route to Market in accordance with Clause 12.3 of this Private Network CfD Agreement or must otherwise give notice to the CfD Counterparty in accordance with Clause[s 9.2 to 9.4] [•].

<sup>20</sup> Drafting note: The Facility is a Baseload Dual Scheme Facility if:

- (A) it forms part of a Generating Station which includes one (1) or more other Generating Units which are not part of the Facility;
- (B) the Facility Metering Equipment does not determine the Imported Input Electricity consumed exclusively by the Facility; and
- (C) Part A of Annex 3 (Facility Generation Type) applies.
- <sup>21</sup> Drafting Note: Delete if not applicable.
- <sup>22</sup> Drafting note: The Facility is an Intermittent Dual Scheme Facility if:

(A) it forms part of a Generating Station which includes one (1) or more other Generating Units which are not part of the Facility;

(B) the Facility Metering Equipment does not determine the Imported Input Electricity consumed exclusively by the Facility; and

(C) Part B of Annex 3 (Facility Generation Type) applies.

<sup>23</sup> Drafting note: Delete if not applicable.

<sup>24</sup> Drafting note: To be included if the Facility is an Eligible Low Capacity Facility. The Facility is an Eligible Low Capacity Facility if the Installed Capacity Estimate is not greater than thirty (30) MW and the Facility Generation Technology is Offshore Wind, Onshore Wind, Tidal Range, Tidal Stream or Wave.

<sup>&</sup>lt;sup>19</sup> Drafting note: Delete as applicable.

- 9.2 [The Generator may make a Grid Connection Application after the Start Date, but may not have commenced such a Grid Connection Application before that date and may only make one such application during the term of this Private Network CfD Agreement.
- 9.3 The Generator must give the CfD Counterparty notice of any Grid Connection Application in the form set out in Annex 10 (Grid Connection Application Notice) to this Private Network CfD Agreement (a "**Grid Connection Application Notice**") including the supporting information set out therein and may request a suspension of the terms of this Private Network CfD Agreement for a period of [•] months with effect from the date specified in the Grid Connection Application Notice.]<sup>25</sup>
- 9.4 Where a Generator notifies the CfD Counterparty in accordance with Clause 12.3 of this Private Network CfD Agreement of the termination of any Market Supply Agreement and the Generator is not a party to any other Market Supply Agreement in relation to the Facility as at that date, the Generator may give a notice in the form set out in Annex 9 (*Private Network Suspension Notice*) to this Private Network CfD Agreement to the CfD Counterparty requesting a suspension of the terms of this Private Network CfD Agreement for a period of [•] months from the date specified therein (a "**Private Network Suspension Notice**").
- 9.5 If the Generator is a Hybrid Generator and has given a Private Network Suspension Notice in relation to the Generating Station, the terms of this Private Network CfD Agreement shall cease to be suspended at the earlier of:
  - (A) the date on which the Generator notifies the CfD Counterparty of a Market Supply Agreement in relation to the Facility becoming effective;
  - (B) the first date after the Private Network Suspension Notice takes effect on which the Generator supplies electricity to the Total System;
  - (C) the date on which the Generator requests that the suspension ceases to have effect; or
  - (D) the expiry of the period of [•] months from the date on which the suspension is requested to take effect in the Private Network Suspension Notice.
- 9.6 If the Generator is an Islanded Generator and has given a Private Network Suspension Notice, the terms of this Private Network CfD Agreement shall:
  - (A) cease to be suspended on the date on which the Generator notifies the CfD Counterparty of a Market Supply Agreement in relation to the Facility becoming effective; or

- (B) terminate at the discretion of the CfD Counterparty if:
  - the Generator has not notified the CfD Counterparty of a Market Supply Agreement in relation to an Onsite Customer becoming effective before the expiry of the period of [•] months from the date on which the suspension is requested to take effect in the Private Network Suspension Notice; and
  - (ii) the Generator has not otherwise notified the CfD Counterparty that it has made an application to obtain a connection to the Total System (a "Grid Connection Application") by means of a Grid Connection Application Notice in the form and containing the requisite evidence set out in Annex 10 (Grid Connection Application Notice)) to this Private Network CfD Agreement,

(Clauses 9.6(B)(i) and 9.6(B)(ii) together, a "Loss of Onsite Customer Termination Event").

- 9.7 If the Generator is an Islanded Generator and has given the CfD Counterparty a Grid Connection Application Notice, the terms of this Private Network CfD Agreement shall:
  - (A) cease to be suspended on the date on which the Generator notifies the CfD Counterparty that the Grid Connection Application has been successful; or
  - (B) terminate at the discretion of the CfD Counterparty if the Generator has not notified the CfD Counterparty that the Grid Connection Application has been successful before the expiry of the period of [•] months from the date on which the Grid Connection Application Notice was received by the CfD Counterparty (together with the Loss of Onsite Customer Termination Event, a "Loss of Route to Market Termination Event").
- 9.8 Any notice given under this Clause 9 shall be accompanied by a Directors' Certificate in the form set out in Part A of Annex 9 (*Pro forma notices*) to the Conditions.

## 10. CONDITIONS PRECEDENT AND MILESTONE

## Interpretation

10.1 The "**Initial Target Commissioning Window**" applicable to this Private Network CfD Agreement shall be [●]<sup>26</sup>, such period commencing on [●]<sup>27</sup>.

<sup>&</sup>lt;sup>26</sup> Drafting note: This shall be the period notified to the Delivery Body in the Generator's FiT CfD Application as its "Target Commissioning Window" and will be equal to the period specified in respect of the Facility Generation Technology in column 2 of the Target Commissioning Window and Longstop Date Table in the Notes to this Private Network CfD Agreement.

- 10.2 The "**Target Commissioning Date**" applicable to this Private Network CfD Agreement shall be [●]<sup>28</sup>.
- 10.3 The "Longstop Period" applicable to this Private Network CfD Agreement shall be [•]<sup>29</sup>.

#### Further Conditions Precedent

- 10.4 The following shall be additional Further Conditions Precedent applicable to this Private Network CfD Agreement.
  - (A) Delivery to the CfD Counterparty of [a certified copy of the Interim Operational Notification issued by the Transmission System Operator under the Grid Code]<sup>30</sup> / [written confirmation from the relevant Licensed Distributor or, if no such confirmation is applicable, evidence (in form and content reasonably satisfactory to the CfD Counterparty) that the Distribution Code compliance process for connection to and export to the Distribution System has been satisfied; and (ii) if applicable, the Interim Operational Notification issued by the Transmission System Operator under the Grid Code.]<sup>31</sup>
  - (B) The Generator having given the CfD Counterparty not less than three (3) months' notice of the intended Start Date.
  - (C) [Delivery to the CfD Counterparty of a Directors' Certificate confirming that the Generator does not exclusively generate electricity for or convey electricity on a licensed Distribution System or the licensed Transmission System.]<sup>32</sup> / [Delivery to the CfD Counterparty of a Directors' Certificate confirming that the Generator does not supply electricity to the Total System.]<sup>33</sup>

- <sup>28</sup> Drafting note: This shall be the date notified to the Delivery Body in the Generator's FiT CfD Application as its "Target Commissioning Date" and will be a date falling within the Initial Target Commissioning Window.
- <sup>29</sup> Drafting note: This shall be the duration set out in respect of the Facility Generation Technology in column 3 of the Target Commissioning Window and Longstop Date Table in the Notes to this Private Network CfD Agreement.
- <sup>30</sup> Drafting note: This will apply to Contracts for Difference in respect of which the relevant Facility is connected directly to the Transmission System.
- <sup>31</sup> Drafting note: This will apply to Private Network CfD Agreements in respect of which the relevant Facility is not connected directly to the Transmission System.
- <sup>32</sup> Drafting note: This will apply to Private Network CfD Agreements in respect of which the Generator has identified themselves as a Hybrid Generator.
- <sup>33</sup> Drafting note: This will apply to Private Network CfD Agreements in respect of which the Generator has identified themselves as an Islanded Generator.

<sup>&</sup>lt;sup>27</sup> Drafting note: Insert commencement date of the Initial Target Commissioning Window, which shall be on or before the Target Commissioning Date.

- (D) Delivery to the CfD Counterparty of a certificate given by the manufacturer of the Metering Equipment confirming that the calibration standards in the Private Network Technical System Requirements have been met, together with a Directors' Certificate confirming that the Metering Equipment has been installed in accordance with the manufacturer's instructions.
- (E) Delivery to the CfD Counterparty of a report from the Technical Assurance Agent confirming that the Metering Equipment has satisfied all the applicable commissioning and proving tests required by the Private Network Technical System Requirements.
- (F) Delivery to the CfD Counterparty of the CfD Audit Contact Information, which may be used by the CfD Counterparty to obtain access for the purposes of exercising the CfD Audit Right within three hours of the CfD Counterparty or its appointed representative first using the CfD Audit Contact Information for that purpose.
- (G) Delivery to the CfD Counterparty of a Directors' Certificate stating the Generator's voltage class as at the Start Date for the purposes of calculating the applicable Line Loss Factor.
- (H) Delivery to the CfD Counterparty of a Directors' Certificate confirming that the Generator has a Route to Market in accordance with Clause 12.3 of this Private Network CfD Agreement.
- (I) The Generator having notified the CfD Counterparty of the identity of the Onsite Customer with whom it has entered into a Market Supply Agreement.
- 10.5 [For the purpose of Clause 10.4(A), if by the time at which the Further Condition Precedent referred to in that Clause is to be fulfilled the relevant Interim Operational Notification shall have been split between an ION A and an ION B as contemplated in paragraphs 2.13 to 2.18 of Ofgem's "Consultation on Implementation of the Generator Commissioning Clause in the Energy Bill 2012/13" then the reference in Clause 5.4(A) to the Interim Operational Notification shall be to whichever of ION A or ION B most closely signifies, in the reasonable opinion of the CfD Counterparty, the time at which the offshore transmission network is ready to export energy from the Facility onto the national electricity transmission system.]<sup>34</sup>
- 10.6 Paragraphs 1(D) and (E) of Part B of Schedule 1 *(Further Conditions Precedent)* shall be deleted and replaced with the following:
  - "(D) a date and time stamped copy of the electrical schematic diagram, certified as being correct and up-to-date by a director of the Generator and showing the

<sup>&</sup>lt;sup>34</sup> Drafting note: This will apply to a Private Network CfD Agreement only if the Facility Generation Technology is Offshore Wind.

locations of the Facility Metering Equipment associated with all assets comprised within the Facility (including details on the type of metering and Communications Equipment installed in compliance with the Metering Compliance Obligation and the Meter Serial Number; and

(E) evidence, in form and content satisfactory to the CfD Counterparty, acting reasonably, that all Communications Equipment relating to Facility Metering Equipment are satisfactorily installed, commissioned, configured, operational, maintained, tested and are fully compliant with the applicable Private Network Technical System Requirements."

#### Milestone

- 10.7 The "Initial Milestone Delivery Date" applicable to this Private Network CfD Agreement shall be [●]<sup>35</sup>.
- 10.8 The "**Total Project Pre-Commissioning Costs**" applicable to this Private Network CfD Agreement shall be £[●]<sup>36</sup> per MW of Installed Capacity.
- 10.9 The "**Project Commitments**" applicable to this Private Network CfD Agreement shall be the requirements provided for in:
  - (A) Part A of Annex 6 (Project Commitments); and
  - (B) [*the section of*] Part B of Annex 6 (Project Commitments) which is expressed to apply to the Facility Generation Technology.
- 10.10 [In addition to the requirements set out in Condition 4.1(B) of the Conditions, for the purpose of Condition 4.1(B), the Project shall exclude the assets comprised or to be comprised within the Offshore Transmission System of the Facility.]<sup>37</sup>

## 11. INSTALLED CAPACITY ESTIMATE AND REQUIRED INSTALLED CAPACITY

11.1 The "Initial Installed Capacity Estimate" applicable to this Private Network CfD Agreement is: [•]<sup>38</sup> MW.

<sup>&</sup>lt;sup>35</sup> Drafting note: This will be a specified date which will be before the Target Commissioning Window and which may differ depending on the technology type. The date to be included here shall be no later than 12 months after the Agreement Date.

<sup>&</sup>lt;sup>36</sup> Drafting note: This will be the number set out in respect of the Facility Generation Technology in the relevant column of the Total Project Pre-Commissioning Costs Table in the Notes to this Private Network CfD Agreement.

<sup>&</sup>lt;sup>37</sup> Drafting note: This will apply to a Private Network CfD Agreement only if the Facility Generation Technology is Offshore Wind.

<sup>&</sup>lt;sup>38</sup> Drafting note: This number will be populated from information in the Generator's FiT CfD Application.

11.2 The "Required Installed Capacity" applicable to this Private Network CfD Agreement is: [eighty-five per cent. (85%) of the Installed Capacity Estimate]<sup>39</sup> / [ninety-five per cent. (95%) of the Installed Capacity Estimate]<sup>40</sup>.

### 12. GENERATOR UNDERTAKINGS

12.1 Condition 30.1 of the Conditions shall be amended by the addition of a new Condition 30.1(H) as follows:

*"License-exempt:* The Generator shall ensure that it remains exempt from the requirement to hold a license for the generation of electricity in accordance with the Electricity (Class Exemptions from the Requirement for a License) Order 2001."

12.2 Condition 31 of the Conditions shall be deleted and replaced with the following:

### "Undertakings: Facility Metering Equipment

- 31.1 With effect from the Start Date, the Generator shall:
  - (A) ensure that at all times the Facility Metering Equipment meets all applicable rules and standards set out in the Private Network Metering Operational Framework and Private Network Technical System Requirements;
  - (B) ensure that at all times:
    - *(i) the Facility Metering Equipment accurately records the Metered Volume comprising:* 
      - (a) all output electricity generated by the Facility;
      - (b) all input electricity used by the Facility [(excluding, if the Facility is a Dual Scheme Facility, any Imported Input Electricity)];
      - (c) all electricity supplied by the Generator to an Onsite Customer as measured at the Customer Metering Point;

<sup>&</sup>lt;sup>39</sup> Drafting note: To be retained only if the Facility Generation Technology applicable to the Contract for Difference is Offshore Wind.

<sup>&</sup>lt;sup>40</sup> Drafting note: To be retained only if the Facility Generation Technology applicable to the Contract for Difference is <u>not</u> Offshore Wind.

- (ii) [where the Facility is a Dual Scheme Facility, the Facility Metering Equipment accurately records all Imported Input Electricity in relation to the Generating Station;]
- (C) ensure that at all times the Facility Metering Equipment measures the input and output electricity referred to in Condition 31.1(B) separately from any other input and output electricity referred to therein; and
- (D) investigate any fault or issue with the Facility Metering Equipment of which it is notified by the CfD Counterparty or otherwise required to investigate pursuant to the Private Network Metering Operational Framework and the Private Network Technical System Requirements,

(each a "Metering Compliance Obligation" and together the "Metering Compliance Obligations").

#### Notification of Metering Compliance Obligation breach

- 31.2 The CfD Counterparty may at any time give a notice to the Generator (a "**Metering Breach Notice**") if it considers that the Generator is in breach of a Metering Compliance Obligation. A Metering Breach Notice shall be:
  - (A) substantially in the form set out in Part P of Annex 9 (Pro forma notices);
  - (B) specify which Metering Compliance Obligation the CfD Counterparty considers that the Generator has breached; and
  - (C) be accompanied by such Supporting Information as the CfD Counterparty considers necessary to evidence the breach of the Metering Compliance Obligation.

#### Response to notification of Metering Compliance Obligation breach

- 31.3 Within ten (10) Business Days of receipt of a Metering Breach Notice, the Generator shall investigate whether it is in breach of the relevant Metering Compliance Obligation and give a notice to the CfD Counterparty (a "Metering Breach Response Notice"). A Metering Breach Response Notice shall:
  - (A) be substantially in the form set out in Part P of Annex 9 (Pro forma notices); and
  - (B) state that either:
    - (i) (a) the Generator accepts that there has been a breach of the Metering Compliance Obligation; and (b) notify the date from which the Generator accepts that there has been a breach of the relevant Metering Compliance Obligation; or

- (ii) the Generator does not accept that there has been a breach of the Metering Compliance Obligation.
- 31.4 If the Generator submits a Metering Breach Response Notice in accordance with:
  - (A) Condition 31.3(B)(i), the provisions of Condition 31.5 shall apply; or
  - (B) Condition 31.3(B)(ii), then the Expert Determination Procedure shall apply in respect of such dispute and if the Expert Determination Procedure applied pursuant to this Condition 31.4(B) determines that:
    - (i) there has not been a breach of the Metering Compliance Obligation, then neither Party shall be required to take any further steps in relation to the Metering Breach Notice; or
    - (ii) there has been a breach of the Metering Compliance Obligation, the provisions of Condition 31.5 shall apply.

#### **Resolution of Metering Compliance Obligation breach**

- 31.5 If this Condition 31.5 applies:
  - (A) the Generator shall provide a copy of a Metering Remediation Plan to the CfD Counterparty not later than fifteen (15) Business Days after the receipt (or deemed receipt) of a Metering Breach Response Notice in accordance with Condition 31.3(B)(i) or the determination of the Expert in accordance with Condition 31.4(B)(ii) (as applicable);
  - (B) as soon as reasonably practicable and in any case not later than sixty (60) Business Days after the CfD Counterparty has received the Metering Remediation Plan, the Generator shall remedy the breach of the Metering Compliance Obligation; and
  - (C) the Generator shall give a notice to the CfD Counterparty confirming the fulfilment of its obligations pursuant to Condition 31.5(B) within five (5) Business Days of remedying the breach and in any case not later than sixty (60) Business Days after the CfD Counterparty has received the Metering Remediation Plan.

#### Failure to remedy Metering Compliance Obligation breach

31.6 If the Generator has not complied with its obligations under Condition 31.5, then a Technical Compliance Termination Event will be deemed to have occurred.

#### Undertakings: electrical schematic

31.7 If there is a Material Change to the Facility Metering Equipment then the Generator shall:

- (A) notify the CfD Counterparty as soon as reasonably practicable and in any case within two (2) Business Days of the Metering Change occurring; and
- (B) provide an updated version of the electrical schematic diagram referred to in paragraph 1(D) of Part B of Schedule 1 (Conditions Precedent) as soon as reasonably practicable and in any case within ten (10) Business Days of the Metering Change occurring,

#### (the "Electrical Schematic Obligation").

31.8 Any copy of the electrical schematic diagram provided pursuant to Condition 31.7(B) shall be accompanied by a Directors' Certificate certifying that the date as at which the electrical schematic diagram is valid and the version number thereof are true, complete and accurate in all material respects and are not misleading, in each case by reference to the facts and circumstances then existing.

#### Failure to comply with Electrical Schematic Obligation

- 31.9 If the Generator is in breach of the Electrical Schematic Obligation, the CfD Counterparty may elect to suspend payment of any Net Payable Amounts which would otherwise be payable by the CfD Counterparty to the Generator in any period during which the Generator is in breach of the Electrical Schematic Obligation, provided that, prior to effecting any such suspension, the CfD Counterparty shall notify the Generator of: (i) its intention to suspend payment of any Net Payable Amounts; and (ii) the date from which it proposes to effect such suspension.
- 31.10 If the Generator subsequently complies with its Electrical Schematic Obligation, then the CfD Counterparty shall pay any amounts to the Generator which would have been payable but for the operation of Condition 31.9. No Compensatory Interest or Default Interest shall be payable in respect of any amount payable pursuant to this Condition 31.10.

### Information Undertakings

- 12.3 Condition 32.1 shall be amended by the addition of a new Condition 32.1(I) as follows:
  - "(I) where the Generator is a Private Network Generator, notification of:
    - (i) any Market Supply Agreement in relation to an Onsite Customer becoming effective or being novated, assigned or otherwise transferred to a different counterparty; [and]
    - (ii) the termination of any Market Supply Agreement in relation to an Onsite Customer[; and

(iii) in relation to an Islanded Generator, any Grid Connection Application being made post the Start Date,

in each case not less than five (5) Business Days prior to the same occurring or, in the case of (ii), if the termination of any Market Supply Agreement is not effected by the Generator, as soon as reasonably practicable thereafter."

### 13. CHANGES IN LAW

- 13.1 The "Assumed Load Factor" applicable to this Private Network CfD Agreement is [•]<sup>41</sup>.
- 13.2 The "Post-Tax Real Discount Rate" applicable to this Private Network CfD Agreement is [•]<sup>42</sup>.
- 13.3 The definition of "**Specific Change in Law**" shall be amended by the addition of a new paragraph (AA) and by the amendment of paragraph (D) as follows:
  - "(AA) generating facilities the electricity generation output of which is not exclusively produced for and conveyed on a Licensed Distribution Network or the Licensed Transmission System, or the generation from, or any generation-related related processes carried out at, such generating facilities, and not in respect of any generating facilities whose electricity generation is exclusively produced for and conveyed on a Licensed Distribution Network or the Licensed Transmission System, or the generation from, or generation-related processes carried out at, any such generating facilities;
  - (D) the holding of shares in companies, the membership of partnerships, limited partnerships or limited liability partnerships, the participation in joint ventures (whether or not incorporated) or the holding of any other economic interest in an undertaking whose main business is the development, construction, operation and maintenance of generating facilities referred to in paragraph (AA), (A), (B) or (C) and not other generating facilities;"

#### 14. PAYMENT CALCULATIONS: STRIKE PRICE

- 14.1 The "Base Year" applicable to this Private Network CfD Agreement is [•]<sup>43</sup>.
- 14.2 The "**Initial Strike Price**" applicable to this Private Network CfD Agreement is £[•] per MWh<sup>44</sup>.

<sup>&</sup>lt;sup>41</sup> Drafting note: The Assumed Load Factor will be provided by DECC by reference to the Delivery Plan.

<sup>&</sup>lt;sup>42</sup> Drafting note: The Post-Tax Real Discount Rate will be a figure published by DECC.

<sup>&</sup>lt;sup>43</sup> Drafting note: The Base Year will be provided by DECC by reference to the Delivery Plan.

<sup>&</sup>lt;sup>44</sup> Drafting note: The Initial Strike Price will be provided by DECC by reference to the Delivery Plan.

### 15. BSUoS AND TLM(D)

- 15.1 The "Initial Balancing System Charge" at the Agreement Date is: [•]<sup>45</sup>.
- 15.2 The "Initial Balancing System Charge Window" is [•]<sup>46</sup>.
- 15.3 The "**Initial TLM(D) Charge**" for each calendar year from (and including) the Agreement Date to the end of the Term is that included opposite the relevant year in Annex 7 (Initial (TLM(D) Charge).
- 15.4 Each instance of the words "the BSC" in the definitions of "Baseload Difference Amount" in Condition 9 (*Definitions: Part 5A*) of the Conditions and "Intermittent Difference Amount" in Condition 17 (*Definitions: Part 5B*) of the Conditions shall be deleted and replaced with the words "the Private Network Metering Operational Framework and the Private Network Technical System Requirements".

### 16. PRIVATE NETWORK METERING DISPUTES

- 16.1 Condition 23.5 of the Conditions shall be deleted and replaced with the following:
  - "23.5 If a dispute or part of a dispute pursuant to Condition 23.3 relates to the calculation of the Metered Output in respect of a Settlement Unit (a "Metering Dispute"):
    - (A) such Metering Dispute shall resolved in accordance with the CfD Private Network Dispute Resolution Procedure;
    - (B) the Parties shall continue to comply with their obligations under the Contract for Difference notwithstanding such Metering Dispute;
    - (C) the final determination of the Metering Dispute in accordance with Condition 23.5(A) shall be binding on the Parties; and
    - (D) neither Party shall dispute or attempt to dispute a final determination made in accordance with Condition 23.5(A)."
- 16.2 Condition 23.6 of the Conditions shall be deleted and replaced with the following:
  - "23.6 Any Metering Dispute must be brought by the Party within the limitation period set out in the CfD Private Network Dispute Resolution Procedure."
- 16.3 Condition 23.7 of the Conditions shall be deleted and replaced with the following:

<sup>&</sup>lt;sup>45</sup> Drafting note: The Initial Balancing Systems Charge figure will be provided by the CfD Counterparty.

<sup>&</sup>lt;sup>46</sup> Drafting note: The Initial Balancing System Charge Window will be provided by DECC.

- "23.7 The Generator shall inform the CfD Counterparty as soon as reasonably practicable after the Generator becomes aware of any fact, matter or circumstance which will or is reasonably likely to give rise to a Metering Dispute, where the resolution of such Metering Dispute will or may impact the calculation of the Loss Adjusted Metered Output for the purposes of the Contract for Difference."
- 16.4 Condition 62 (*Metering Disputes*) of the Conditions shall be deleted and replaced with the following:
  - "62.1 Metering Disputes shall be resolved solely in accordance with the CfD Private Network Dispute Resolution Procedure pursuant to Conditions 23.5 to 23.7.
  - 62.2 Notwithstanding any Metering Dispute, the Parties shall continue to comply with all of their respective obligations under the Contract for Difference."
- 16.5 Each instance of the words "the provisions of the BSC" in Conditions 71.4(C) and 71.10(C) of the Conditions shall be deleted and replaced with the words "the CfD Private Network Dispute Resolution Procedure".

#### Private Network Dispute Resolution Procedure

- 16.6 Metering Disputes shall be resolved in accordance with the Dispute Resolution Procedure, save that:
  - (A) Conditions 56.3(E) and 56.3(H) (*Outline of Dispute Resolution Procedure*), 59 (*Arbitration Procedure*) and 60 (*Consolidation of Connected Disputes*) of the Conditions shall not apply to Metering Disputes;
  - (B) the following Conditions shall be amended for the purposes of Metering Disputes:
    - (i) Condition 56.4(B) shall be deleted and replaced as follows:
      - "(B) (subject to Condition 56.6) either party may refer the Dispute for determination by an Expert in accordance with the Expert Determination Procedure.";
    - (ii) the words "*or the Arbitration Procedure*" shall be omitted from Condition 56.7;
    - (iii) the words "*or an Arbitration Procedure*" shall be omitted from Condition 56.8(C);
    - (iv) Condition 57.1(B) shall be deleted and replaced as follows:
      - "(B) are unable to resolve the Dispute within the Resolution Period, either party may refer the Dispute for determination by an

*Expert in accordance with the Expert Determination Procedure;*"; and

- (v) Condition 57.2(A) shall be deleted and replaced as follows:
  - "(A) either party may refer the Dispute for determination by an Expert in accordance with the Expert Determination Procedure;"; and
- (C) for a Party to this Private Network CfD Agreement to bring a Metering Dispute, the following criteria must be met:
  - a Dispute Notice must have been given by the Metering Dispute Deadline in relation to all Settlement Units to which the Metering Dispute relates;
  - (ii) the "**Metering Dispute Deadline**" shall be the date which is 20 months after the Billing Period in which the disputed Settlement Unit occurred.

### 17. NOTICES

- 17.1 The address and (where such communication is expressly permitted by email) email address of each Party for any notice to be given under this Private Network CfD Agreement, and the department or officer (if any) for whose attention the notice is to be made, is:
  - (A) in the case of the Generator:

Address:	
Email address:	
For the attention of:	

(B) in the case of the CfD Counterparty:

Address:	
Email address:	
For the attention of:	

# 18. AGENT FOR SERVICE OF PROCESS

18.1 [Condition 86 (Agent for service of process) shall not apply to this Private Network CfD Agreement and there shall be no Service Agent.]/[Condition 86 (Agent for service of process) shall apply to this Private Network CfD Agreement and the Service Agent shall be [•] of [•].] <sup>47</sup>

# 19. CONFIDENTIALITY

19.1 The words ", any BSC Company or any BSC Agent (or to their respective Representatives" in Conditions 71.4(A)(v) and 71.10(A)(vi) of the Conditions shall be omitted.

# 20. DISAPPLICATION OF CONDITIONS

- 20.1 In addition to those Conditions specified above, the following Conditions shall not apply to this Private Network CfD Agreement:
  - (A) Condition 22.5(A) (*Calculation of Reconciliation Amounts*);
  - (B) Condition 22.6(A) (Calculation of Compensatory Interest Amount);
  - (C) Condition 47 (*Qualifying CPC Event: Procedure*);
  - (D) Condition 48 (Qualifying CPC Event: Compensation); and
  - (E) Condition 49 (*Curtailment: General Provisions*).
- 20.2 The following parts of Annex 9 of the Conditions shall not apply to this Private Network CfD Agreement:
  - (A) Part LL (*Preliminary Annual QCPC Report*).

<sup>&</sup>lt;sup>47</sup> Drafting note: Delete as applicable. If retained, Service Agent information to be taken from FiT CfD Application.
## Annex 1 (Description of the Facility)

[Drafting note: Description of the Facility to be populated using information provided in the [FiT CfD Application] and to include:

- (i) the unique geographical coordinates of the Facility; and
- (ii) an aerial view of the unique geographical location of the Facility, whether an extract from the Ordnance Survey map or equivalent, showing the proposed locations of:
  - (a) the Facility;
  - (b) the Facility Metering Equipment; and
  - (c) the OFTO Transmission System.]

# Annex 2 (Modification Agreement)

## Annex 3 (Facility Generation Type)

## Part A (Baseload Technologies)

1. The following definition shall apply to this Private Network CfD Agreement:

"Settlement Unit" means each half hour period in a day divided into half hour-long periods starting at 00:00 on such day.

2. The following Parts and Annexes of the Conditions shall apply to this Private Network CfD Agreement:

- (A) Part 5A (Payment calculations: Baseload Technologies)<sup>48</sup>; and
- (B) Annex 4 (*BMRP*).

<sup>&</sup>lt;sup>48</sup> Note to CTR: We have amended sections of Parts 5A and 5B in Clause 5 of this Private Network CfD Agreement. However, certain formulae still refer to the transmission loss multiplier which will need to come out. Refer to the formulae for "Baseload Difference Amount" and "Intermittent Difference Amount" in Clauses 9 and 17 respectively.

## Part B (Intermittent Technologies)

1. The following definition shall apply to this Private Network CfD Agreement:

"**Settlement Unit**" means each hour period in a day divided into hour-long periods starting at 00:00 on such day.

2. The following Parts and Annexes of the Conditions shall apply to this Private Network CfD Agreement:

- (A) Part 5B (*Payment calculations: Intermittent Technologies*); and
- (B) Annex 5 (*IMRP*).

## Annex 4 (Fuelling Criteria)

#### 1. DEFINITIONS AND INTERPRETATION

#### Definitions

1.1 For the purposes of this Annex 4 (Fuelling Criteria):

"Advanced Fuels" means a gaseous or liquid fuel which is produced directly or indirectly from the Gasification or the Pyrolysis of: (i) Waste; or (ii) Biomass, provided that, in the case only of a gaseous fuel, such fuel must have a gross calorific value (when measured at 25 degrees Celsius and 0.1 megapascals at the inlet to the Facility) which is at least 2 megajoules per cubic metre;

"**Biomass**" means material, other than Fossil Fuel or peat, which is, or is derived directly or indirectly from, plant matter, animal matter, fungi, algae or bacteria (and includes any such material contained in Waste);

"Excluded Biomass" means: (i) sewage; and (ii) material in a landfill;

"**Fossil Fuel**" means coal, substances produced directly or indirectly from coal, lignite, natural gas, crude liquid petroleum or petrol products;

"Gasification" means the substoichiometric oxidation or steam reformation of a substance to produce a gaseous mixture containing two or more of the following: (i) oxides of carbon; (ii) methane; and (iii) hydrogen;

"**Permitted Ancillary Activities**" means the cleansing of other fuels from the Facility's combustion system prior to using Fossil Fuel or Waste to heat the combustion system to its normal temperature, the heating of the Facility's combustion system to its normal operating temperature or the maintenance of that temperature, the ignition of fuels of low or variable calorific value, emission control, standby generation or the testing of standby generation capacity, corrosion control or fouling reduction;

"**Pyrolysis**" means the thermal degradation of a substance in the absence of any oxidising agent, which does not form part of the substance itself, to produce char and gas and/or liquid; and

"Waste" has the meaning given to that term in the 2008 Waste Framework Directive 2008/98/EC.

#### Interpretation

1.2 Where, in this Annex 4 (Fuelling Criteria) the "Permitted Ancillary Activity Exception" is expressed to apply, the Relevant Fuelling Criterion (or Fuelling Criteria) which apply to the Facility Generation Technology shall not be breached solely by virtue of Fossil Fuels being used for Permitted Ancillary Activities if the Energy Content of all Fossil Fuels used by the Facility for such Permitted Ancillary Activities does not exceed ten per

cent. (10%) of the Energy Content of all fuels used by the Facility whether to generate electricity or for Permitted Ancillary Activities.

1.3 Any assessment as to whether the Fuelling Criteria are met by the Facility shall be determined by reference to the entirety of an RQM Calculation Month.

### 2. Advanced Conversion Technology; Advanced Conversion Technology with CHP

- (A) Subject to paragraph (B), the Facility generates electricity using solely Advanced Fuels.
- (B) The Permitted Ancillary Activity Exception applies.
- (C) No Fossil Fuel is used at the Facility for the express purpose of it being used as a fuel (other than to undertake Permitted Ancillary Activities), unless it forms part of Waste from which the fuel is produced.

#### 3. Anaerobic Digestion; Anaerobic Digestion with CHP

- (A) Subject to paragraph (B), the Facility generates electricity solely from gas formed during the anaerobic digestion of Biomass (other than Excluded Biomass).
- (B) The Permitted Ancillary Activity Exception applies.
- (C) No Fossil Fuel is used at the Facility for the express purpose of it being used as a fuel (other than to undertake Permitted Ancillary Activities), unless it forms part of Waste from which the fuel is produced.

#### 4. Biomass Conversion

- (A) Subject to paragraph (B), the Facility generates electricity solely from fuel the Energy Content of which is at least 90 per cent. (90%) solid Biomass.
- (B) The Permitted Ancillary Activity Exception applies.
- (C) No Fossil Fuel is used at the Facility for the express purpose of it being used as a fuel (other than to undertake Permitted Ancillary Activities).

#### 5. Dedicated Biomass with CHP

- (A) Subject to paragraph (B), the Facility generates electricity solely from fuel the Energy Content of which is at least 90 per cent. (90%) solid Biomass.
- (B) The Permitted Ancillary Activity Exception applies.
- (C) No Fossil Fuel is used at the Facility for the express purpose of it being used as a fuel (other than to undertake Permitted Ancillary Activities).

## 6. Energy from Waste with CHP

- (A) The Facility:
  - (i) (subject to paragraph (B)) generates electricity solely from Waste, Biomass or a combination thereof; and
  - (ii) only uses Biomass, Waste or a combination thereof in respect of which the Energy Content constituting Fossil Fuel (excluding any Fossil Fuel used to undertake Permitted Ancillary Activities) as a percentage of all fuels used by the Facility, is more than ten per cent. (10%).
- (B) The Permitted Ancillary Activity Exception applies.
- (C) No Fossil Fuel is used at the Facility for the express purpose of it being used as a fuel (other than to undertake Permitted Ancillary Activities), unless it forms part of Waste from which the fuel is produced.

## 7. Landfill Gas

- (A) Subject to paragraph (B), the Facility generates electricity solely from gas formed by the digestion of material in a landfill.
- (B) The Permitted Ancillary Activity Exception applies.
- (C) No Fossil Fuel is used at the Facility for the express purpose of it being used as a fuel (other than to undertake Permitted Ancillary Activities), unless it forms part of Waste from which the gas is produced.

### 8. Sewage Gas

- (A) Subject to paragraph (B), the Facility generates electricity solely from gas formed by the anaerobic digestion of sewage (including sewage which has been treated or processed).
- (B) The Permitted Ancillary Activity Exception applies.
- (C) No Fossil Fuel is used at the Facility for the express purpose of it being used as a fuel (other than to undertake Permitted Ancillary Activities), unless it forms part of Waste from which the gas is produced.

# Annex 5 (Sustainability Criteria)

## Annex 6 (Project Commitments)

#### Part A: General Project Commitments

Delivery to the CfD Counterparty of the following:

- (A) a copy of a resolution of the Generator's board of directors (or an equivalent management committee or body) to:
  - (i) undertake the Project;
  - (ii) approve the total financial commitments required to commission the Project (the "**Total Project Spend**"); and
  - (iii) approve a timetable for undertaking the Project which demonstrates that the Facility can reasonably be expected to be commissioned no later than the Longstop Date;
- (B) a Directors' Certificate certifying that:
  - the Generator has, or will have, sufficient financial resources to meet the Total Project Spend;
  - (ii) any contract entered into and provided as Supporting Information pursuant to the Milestone Requirements Notice, in the reasonable opinion of the Generator by reference to the facts and circumstances then existing, is:
    - (a) legal, valid and binding; and
    - (b) entered into with one or more counterparties who are each able to perform their obligations under such contract;
  - (iii) the Generator has a leasehold or freehold interest in the site where the Facility is based (the "Facility Site") or a contract to obtain the same;
  - the Facility Site is not subject to any covenants, restrictions, agreements, planning obligations, estate contracts, options, rights of way or other encumbrances which materially inhibit the use of the Facility Site for the purposes of the Project;
  - there are available to the Facility Site such rights, easements and services as are necessary to undertake the Project and operate the Facility;
  - (vi) the Generator has identified all necessary consents and planning permissions to undertake the Project (the "**Necessary Consents**"); and

- (vii) there is a credible strategy in place to obtain the Necessary Consents and the Necessary Consents are not subject to any condition for which there does not exist a plan approved by the Generator's board of directors to satisfy that condition, such that the Generator is not aware of any necessary consents and planning permissions which cannot be obtained or complied with,
- ((iii) to (vii), together the "Facility Requirements");
- (C) Supporting Information evidencing (i) that the Generator has, or will have, sufficient financial resources to meet the Total Project Spend and (ii) the Facility Requirements.

#### Part B: Technology Specific Project Commitments

#### 1. Advanced Conversion Technology

Delivery to the CfD Counterparty of Supporting Information evidencing any one of the following:

- (A) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the supply and installation of the Material Equipment.
- (B) Entry by the Generator into an agreement for the supply of the Material Equipment.
- (C) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this Private Network CfD Agreement:

"**Material Equipment**" means all equipment necessary for electricity generation at the Facility and includes the gasifier and the pyrolyser.

#### 2. Advanced Conversion Technology with CHP

Delivery to the CfD Counterparty of Supporting Information evidencing paragraph (A) and any one of paragraphs (B), (C) and (D).

- (A) (i) Entry by the Generator into a framework contract for the supply of heat; or (ii) if the Generator proposes to use heat on-site, completion of a detailed feasibility study for the Project, including an energy consumption profile.
- (B) Entry by the Generator into an engineering, procurement and construction contract for the Facility providing for the supply and installation of the Material Equipment.

- (C) Entry by the Generator into an agreement for the supply of the Material Equipment.
- (D) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

"**Material Equipment**" means all equipment necessary for electricity generation at the Facility and includes the gasifier and the pyrolyser.

#### 3. Anaerobic Digestion

Delivery to the CfD Counterparty of Supporting Information evidencing any one of the following:

- (A) Entry by the Generator into an engineering, procurement and construction contract for the Facility providing for the supply and installation of the Material Equipment.
- (B) Entry by the Generator into an agreement for the supply of the Material Equipment.
- (C) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this Private Network CfD Agreement:

"**Material Equipment**" means all equipment necessary for electricity generation at the Facility and includes the anaerobic digester.

### 4. Anaerobic Digestion with CHP

Delivery to the CfD Counterparty of Supporting Information evidencing paragraph (A) and any one of paragraphs (B), (C) and (D).

- (A) (i) Entry by the Generator into a framework contract for the supply of heat; or (ii) if the Generator proposes to use heat on-site, completion of a detailed feasibility study for the Project, including an energy consumption profile.
- (B) Entry by the Generator into an engineering, procurement and construction contract for the Facility providing for the supply and installation of the Material Equipment.

- (C) Entry by the Generator into an agreement for the supply of the Material Equipment.
- (D) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

"**Material Equipment**" means all equipment necessary for electricity generation at the Facility and includes the anaerobic digester.

### 5. Biomass Conversion

Delivery to the CfD Counterparty of Supporting Information evidencing paragraph (A) and any one of paragraphs (B), (C) and (D).

- (A) Entry by the Generator into a framework contract for supply of sufficient sustainable biomass feedstock for the Facility to operate at the Installed Capacity Estimate.
- (B) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the supply and installation of the Material Equipment.
- (C) Entry by the Generator into an agreement for the supply of the Material Equipment.
- (D) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this Private Network CfD Agreement:

**"Material Equipment**" means all material plant, machinery and equipment necessary for the planned conversion of the existing plant at the Facility.

#### 6. Dedicated Biomass with CHP

Delivery to the CfD Counterparty of Supporting Information evidencing paragraph (A), paragraph (B) and any one of paragraphs (C), (D) and (E).

(E) (i) Entry by the Generator into a framework contract for the supply of heat; or (ii) if the Generator proposes to use heat on-site, completion of a detailed feasibility study for the Project, including an energy consumption profile.

- (F) Entry by the Generator into a framework contract for the supply of sufficient sustainable biomass feedstock for the Facility to operate at the Installed Capacity Estimate.
- (G) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the supply and installation of the Material Equipment.
- (H) Entry by the Generator into an agreement for the supply of the Material Equipment.
- Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

"**Material Equipment**" means all equipment necessary for electricity generation at the Facility and includes the furnace and boiler island.

#### 7. Energy from Waste with CHP

Delivery to the CfD Counterparty of Supporting Information evidencing paragraph (A), paragraph (B) and any one of paragraphs (C), (D) and (E).

- (A) (i) Entry by the Generator into a framework contract for the supply of heat; or (ii) if the Generator proposes to use heat on-site, completion of a detailed feasibility study of the Project, including an energy consumption profile.
- (B) (i) Entry by the Generator into a contract for the disposal of waste generated by the Facility in the course of its energy generating activities; or (ii) entry by the Generator into contracts for the provision of Solid Recovered Fuel ("SRF") or Municipal Solid Waste ("MSW") to the Facility.
- (C) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the supply and installation of the Material Equipment.
- (D) Entry by the Generator into an agreement for the supply of the Material Equipment.
- (E) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this Private Network CfD Agreement:

"**Material Equipment**" means all equipment necessary for electricity generation at the Facility and includes the furnace and boiler island.

### 8. Geothermal

Delivery to the CfD Counterparty of Supporting Information evidencing entry by the Generator into a contract to drill the Facility's first well.

#### 9. Geothermal with CHP

Delivery to the CfD Counterparty of Supporting Information evidencing paragraphs (A) and (B).

- (A) (i) Entry by the Generator into a framework contract for the supply of heat; or (ii) if the Generator proposes to use heat on-site, completion of a detailed feasibility study of the Project, including an energy consumption profile.
- (B) Entry by the Generator into a contract to drill the Facility's first well.

#### 10. Hydroelectricity

Delivery to the CfD Counterparty of Supporting Information evidencing any one of the following:

- (A) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the civil works to be undertaken in respect of the Material Equipment.
- (B) Entry by the Generator into a civil works contract to be undertaken in respect of the Material Equipment.
- (C) Entry by the Generator into: (i) a framework agreement for the civil works to be undertaken in respect of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this Private Network CfD Agreement:

"**Material Equipment**" means all equipment necessary for electricity generation at the Facility and includes the major scheme components.

#### 11. Landfill Gas

Delivery to the CfD Counterparty of Supporting Information evidencing any one of the following:

(A) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the supply and installation of the Material Equipment.

- (B) Entry by the Generator into an agreement for the supply of the Material Equipment.
- (C) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

"**Material Equipment**" means all equipment necessary for electricity generation at the Facility and includes the electricity generating engines.

### 12. Offshore Wind

Delivery to the CfD Counterparty of Supporting Information evidencing any one of the following:

- (A) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the supply and installation of the Material Equipment.
- (B) Entry by the Generator into an agreement for the supply of the Material Equipment.
- (C) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this Private Network CfD Agreement:

"**Material Equipment**" means all equipment necessary for electricity generation at the Facility and includes the wind turbine groups.

#### 13. Onshore Wind

Delivery to the CfD Counterparty of Supporting Information evidencing any one of the following:

- (A) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the supply and installation of the Material Equipment.
- (B) Entry by the Generator into an agreement for the supply of the Material Equipment.

(C) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this Private Network CfD Agreement:

"**Material Equipment**" means all equipment necessary for electricity generation at the Facility and includes the wind turbine groups.

#### 14. Sewage Gas

Delivery to the CfD Counterparty of Supporting Information evidencing any of the following:

- (A) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the supply and installation of the Material Equipment.
- (B) Entry by the Generator into an agreement for the supply of the Material Equipment.
- (C) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this Private Network CfD Agreement:

"**Material Equipment**" means all equipment necessary for electricity generation at the Facility and includes the electricity generating engines.

#### 15. Solar Photovoltaic

Delivery to the CfD Counterparty of Supporting Information evidencing any of the following:

- (A) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the supply and installation of the Material Equipment.
- (B) Entry by the Generator into an agreement for the supply of the Material Equipment.
- (C) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

"**Material Equipment**" means all equipment necessary for electricity generation at the Facility and includes the photovoltaic panels.

#### 16. Tidal Range

Delivery to the CfD Counterparty of Supporting Information evidencing any of the following:

- (A) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the civil works to be undertaken in respect of the Material Equipment.
- (B) Entry by the Generator into a civil works contract to be undertaken in respect of the Material Equipment.
- (C) Entry by the Generator into: (i) a framework agreement for the civil works to be undertaken in respect of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this Private Network CfD Agreement:

"**Material Equipment**" means all equipment necessary for electricity generation at the Facility and includes the major scheme components.

#### 17. Tidal Stream

Delivery to the CfD Counterparty of Supporting Information evidencing any of the following:

- (A) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the supply and installation of the Material Equipment.
- (B) Entry by the Generator into an agreement for the supply of the Material Equipment.
- (C) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this Private Network CfD Agreement:

"**Material Equipment**" means all equipment necessary for electricity generation at the Facility and includes the turbines.

#### 18. Wave

Delivery to the CfD Counterparty of Supporting Information evidencing any of the following:

- (A) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the supply and installation of the Material Equipment.
- (B) Entry by the Generator into an agreement for the supply of the Material Equipment.
- (C) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this Private Network CfD Agreement:

"**Material Equipment**" means all equipment necessary for electricity generation at the Facility and includes the wave energy converter or generation engines.

Year	Initial TLM(D) Charge
2010	0.0068
2011	0.0083
2012	0.0083
2013	0.0083
2014	0.0084
2015	0.0085
2016	0.0085
2017	0.0087
2018	0.0088
2019	0.0089
2020	0.0089
2021	0.0090
2022	0.0090
2023	0.0090
2024	0.0090
2025	0.0090
2026	0.0091
2027	0.0091
2028	0.0091
2029	0.0091
2030	0.0092
2031	0.0092
2032	0.0092
2033	0.0093
2034	0.0093
2035 and each calendar year thereafter	0.0093

Annex 7 (Initial (TLM(D) Charge)

## Annex 8 (Routine CfD Audit Notice)

- To: [•] (the "Generator") [Unique reference number: [•]]
- From: [•] (the "CfD Counterparty") [Address]

Dated: [•]

## **CONTRACT FOR DIFFERENCE – ROUTINE CFD AUDIT NOTICE**

Dear Sirs,

- 1. We refer to the agreement dated **[•]** between you as the Generator and us as the CfD Counterparty (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
- 2. We further refer you to Clause 7.5.
- 3. This is a Routine CfD Audit Notice.
- 4. We *[intend]/[nominate [•]]* to exercise the CfD Audit Right.
- 5. The date by which you must, in accordance with Clause 7.5(C), permit the exercise of the CfD Audit Right is [•].

Yours faithfully,

For and on behalf of the **CfD Counterparty** 

## Annex 9 (Private Network CfD Suspension Notice)

- To: [•] (the "CfD Counterparty") [Address]
- From: [•] (the "Generator") [Unique reference number: [•]]

Dated: [•]

## CONTRACT FOR DIFFERENCE – PRIVATE NETWORK SUSPENSION NOTICE

Dear Sirs,

- 1. We refer to the agreement dated **[•]** between you as the CfD Counterparty and us as the Generator (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
- 2. We further refer you to Clause [9.2][9.4] of this Private Network CfD Agreement.
- 3. This is a Private Network Suspension Notice.
- 4. We hereby request that the terms of the Private Network CfD Agreement to be suspended for a period of [•] months as a result of the termination of the Market Supply Agreement with [counterparty] with effect from [•].
- 5. We confirm that we are not a party to any other Market Supply Agreement in relation to the Generating Station.
- 6. We enclose a Directors' Certificate certifying that the information contained in, and enclosed with, this report is true, complete and accurate in all material respects, in each case by reference to the facts and circumstances then existing.

Yours faithfully,

For and on behalf of the **Generator** 

## Annex 10 (Grid Connection Application Notice)

- To: [•] (the "CfD Counterparty") [Address]
- From: [•] (the "Generator") [Unique reference number: [•]]

Dated: [•]

## **CONTRACT FOR DIFFERENCE – GRID CONNECTION APPLICATION NOTICE**

Dear Sirs,

- 1. We refer to the agreement dated **[•]** between you as the CfD Counterparty and us as the Generator (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
- 2. We further refer you to Clause 9.3 of this Private Network CfD Agreement.
- 3. This is a Grid Connection Application Notice.
- 4. We hereby give you notice that we made an application on *[date]* to *[•]* to obtain a connection to the Total System.
- 5. We enclose the following Supporting Information:
  - (A) a copy of the application for connection to the Total System [(redacted to exclude commercially sensitive information only)];
  - (B) evidence of upfront payment for the application having been made;
  - (C) a copy of the Grid Offer [(redacted to exclude commercially sensitive information only)];
  - (D) a copy of the Grid Agreement [(redacted to exclude commercially sensitive information only)].

We accordingly request that the terms of the Private Network CfD Agreement be suspended for a period of 12 months from **[•]** being the date on which the application to obtain a connection to the Total System was made.

6. We enclose a Directors' Certificate certifying that the information contained in, and enclosed with, this report is true, complete and accurate in all material respects, in each case by reference to the facts and circumstances then existing.

Yours faithfully,

For and on behalf of the **Generator** 

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# Annex 11 (CfD Audit Contact Information)

## Annex 12 (Metered Volume Submission Frequency Change Notice)

- To: [•] (the "CfD Counterparty") [Address]
- From: [•] (the "Generator") [Unique reference number: [•]]

## Dated: [•]

# CONTRACT FOR DIFFERENCE – METERED VOLUME SUBMISSION FREQUENCY CHANGE NOTICE

Dear Sirs,

- 1. We refer to the agreement dated **[•]** between you as the CfD Counterparty and us as the Generator (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
- 2. We further refer you to Clause 5.4 of this Private Network CfD Agreement.
- 3. This is a Metered Volume Submission Frequency Change Notice.
- 4. We hereby request that the frequency with which Metered Volume is submitted to the CfD Settlement Services Provider for the purposes of the CfD Settlement Activities is changed from [daily] [weekly] submission to [weekly] [daily] submission with effect from [•].
- 5. We acknowledge that the CfD Counterparty may charge an administrative fee in connection with such a change.

Yours faithfully,

For and on behalf of the **Generator** 

## **EXECUTION PAGE**

### The GENERATOR

SIGNED BY	)	
[name of signatory]	)	
for and on behalf of	)	
[name of Generator]	)	(Signature of named signatory)

)

)

## The CfD COUNTERPARTY

SIGNED BY [name of signatory] for and on behalf of Low Carbon Contracts Company ) (Signature of named signatory) Limited

) .....

### Drafting Notes for this Private Network CfD Agreement

### Table: Target Commissioning Window and Longstop Date

In this table, "Advanced Conversion Technology with CHP", "Advanced Conversion Technology without CHP", "Anaerobic Digestion with CHP", "Anaerobic Digestion without CHP", "Biomass Conversion", "Dedicated Biomass with CHP", "Energy From Waste with CHP", "Fuel with Variable Renewable Content Facility", "Geothermal with CHP", "Geothermal without CHP", "Hydroelectricity", "Landfill Gas", "Offshore Wind", "Onshore Wind", "Sewage Gas", "Solar PV", "Tidal Range", "Tidal Stream" and "Wave" shall each have the meanings given to such terms in the EA 2013 Regulations.

<u>Technology</u>	<u>Target Commissioning</u> <u>Window</u>	Longstop Date
Advanced Conversion Technology with CHP	1 year	1 year
Advanced Conversion Technology without CHP	1 year	1 year
Anaerobic Digestion with CHP	1 year	1 year
Anaerobic Digestion without CHP	1 year	1 year
Biomass Conversion	1 year	1 year
Dedicated Biomass with CHP	1 year	1 year
Energy from Waste with CHP	1 year	1 year
Geothermal with CHP	1 year	1 year
Geothermal without CHP	1 year	1 year
Hydroelectricity	1 year	1 year
Landfill Gas	6 months	6 months
Offshore Wind	1 year	2 years
Onshore Wind	1 year	1 year
Sewage Gas	1 year	1 year
Solar PV	3 month	1 year

<u>Technology</u>	<u>Target Commissioning</u> <u>Window</u>	Longstop Date
Tidal Range	1 year	2 years
Tidal Stream	1 year	2 years
Wave	1 year	2 years

## Table: Total Project Pre-Commissioning Costs49

In this table, "Advanced Conversion Technology with CHP", "Advanced Conversion Technology without CHP", "Anaerobic Digestion with CHP", "Anaerobic Digestion without CHP", "Biomass Conversion", "Dedicated Biomass with CHP", "Energy From Waste with CHP", "Fuel with Variable Renewable Content Facility", "Geothermal with CHP", "Geothermal without CHP", "Hydroelectricity", "Landfill Gas", "Offshore Wind", "Onshore Wind", "Sewage Gas", "Solar PV", "Tidal Range", "Tidal Stream" and "Wave" shall each have the meanings given to such terms in the EA 2013 Regulations.

<u>Technology</u>	<u>Total Project Pre-Commissioning Costs</u> (£/MW of Installed Capacity)
Advanced Conversion Technology with CHP (>5MW)	1,065,000
Advanced Conversion Technology without CHP (>5MW)	1,065,000
Anaerobic Digestion with CHP	1,750,000
Anaerobic Digestion without CHP	1,750,000
Biomass Conversion	360,000
Dedicated Biomass with CHP	2,700,000
Energy from Waste with CHP	5,500,000
Geothermal with CHP	2,250,000
Geothermal without CHP	2,250,000
Hydroelectricity (>5MW and <50MW)	1,630,000
Landfill Gas	1,030,000
Offshore Wind	2,050,000
Onshore Wind (>5 MW)	1,130,000

<sup>49</sup> Drafting note: DECC are considering whether this table should be incorporated in an annex to the Private Network CfD Agreement and will advise in due course.

<u>Technology</u>	Total Project Pre-Commissioning Costs (£/MW of Installed Capacity)
Sewage Gas	2,300,000
Solar PV (>5 MW)	1,000,000
Tidal Range	2,200,000
Tidal Stream	2,900,000
Wave	6,900,000