

**Dated**

**2016**

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**SONI Limited**

**(1)**

**and**

**[SERVICE PROVIDER]**

**(2)**

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**DS3 SYSTEM SERVICES FRAMEWORK  
AGREEMENT**

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**THIS AGREEMENT** is made the                      day of                      2016

**BETWEEN:**

- (1) **SONI Limited**, a limited liability company incorporated under the laws of Northern Ireland with registered Number NI 038715 and having its registered office at Castlereagh House, 12 Manse Road, Belfast BT6 9RT (hereinafter called the “**Company**”); and
- (2) **Name and registered address of Service Provider** (hereinafter called the “**Service Provider**”)

**WHEREAS:**

- (A) The Company has responsibility amongst other duties for the operation of the Transmission System under the TSO Licence and the Company wishes to establish a multi-provider Framework Agreement for the provision and drawdown of distinct DS3 System Services as are necessary to ensure the proper working of the electricity grid in Northern Ireland.
- (B) The Company's duties include the procurement of DS3 System Services.
- (C) In reliance on the Service Provider's expertise, statements, representations and warranties in its Tender, the Company wishes to appoint the Service Provider to the Framework Agreement (“the Agreement”) in respect of particular DS3 System Services.
- (D) The Service Provider is now entering into this Agreement in order to provide the Company with the Relevant DS3 System Services from the Providing Unit with effect from the date of DS3 System Services Go-Live.

**IT IS HEREBY AGREED** as follows:

**1 Definitions and Interpretation**

- 1.1 In this Agreement (including the recitals hereto) except where the context otherwise requires the words and expressions set out in Schedule 1 shall have the meanings ascribed to them therein.
- 1.2 In this Agreement, unless the context requires otherwise, any reference to:
  - 1.2.1 the singular shall include the plural and vice versa;
  - 1.2.2 any gender reference shall be deemed to include references to the masculine, feminine and neuter genders;
  - 1.2.3 this “Agreement” shall mean this Agreement and its Schedules;

- 1.2.4 “writing” or “written” shall include all methods of reproducing words in a legible and non-transitory form;
- 1.2.5 any words importing persons or parties shall include individuals, firms and corporations, joint ventures, trusts, unincorporated associations and organisations, partnerships and any other entity, in each case whether or not having a separate legal personality and any references to persons shall include their legal successors and permitted assignees;
- 1.2.6 legislation, regulations, Directives, orders, instruments, codes or other enactments shall include any amendments, modifications extensions, replacements or re-enactments thereof then in force;
- 1.3 Unless otherwise specified:
  - 1.3.1 any reference in this Agreement to a “Clause” is a reference to a Clause contained in this Agreement;
  - 1.3.2 any reference to a “Schedule” is a reference to a Schedule to this Agreement;
  - 1.3.3 any reference to a “Section” is a reference to a Section of a Schedule to this Agreement;
  - 1.3.4 any reference to another agreement or document, or any deed or other instrument (including but not limited to Statute, Statutory Instrument, the Grid Code, the Northern Ireland Fuel Security Code, the Metering Code, the Distribution Code or the Trading and Settlement Code) shall be construed as a reference to that other agreement, or document, deed or other instrument as the same may have been, or may from time to time be, amended, varied, supplemented, substituted or novated;
  - 1.3.5 any reference to a month or year shall be construed as reference to a calendar month or year, as the case may be;
  - 1.3.6 the table of contents and Clause headings are inserted for ease of reference only and shall be ignored for the purpose of the construction of this Agreement;
  - 1.3.7 all terms which have been defined in this Agreement shall have their initial letters in capital typescript whenever and wherever they appear in this Agreement; and

1.3.8 any reference to “including” shall be construed without limitation.

- 1.4 In the event of inconsistency between the provisions of this Agreement and the Grid Code, the Distribution Code or the Metering Code (as the case may be), the provisions of the Grid Code, the Distribution Code or the Metering Code (as the case may be) shall prevail to the extent of such inconsistency unless the contrary intention is explicit.
- 1.5 Where a provision of this Agreement conflicts with the Northern Ireland Fuel Security Code, the provisions of the Northern Ireland Fuel Security Code shall prevail to the extent of the inconsistency or conflict.
- 1.6 To the extent that the Service Provider is a party to the Trading and Settlement Code, if either Party reasonably believes that a conflict exists between any provision of this Agreement and the provisions of the Trading and Settlement Code, it shall notify the other Party of that belief and the Parties shall meet and discuss in good faith whether such a conflict exists, and if so whether amendments should be made to this Agreement to resolve the conflict (and if appropriate the nature of those amendments). If the Parties are in dispute as to whether a conflict exists, whether amendments should be made to this Agreement to resolve the conflict and/or the nature of those amendments, either Party shall be entitled to refer the dispute to the Regulatory Authority for determination (which determination shall be binding on the Parties). For the avoidance of doubt the Parties agree that any amendment to this Agreement to resolve a conflict with the Trading and Settlement Code shall require the prior written approval of the Regulatory Authority.

## **2 Commencement and Duration of Agreement and Appointment to Framework**

### **2.1 Term of Agreement**

- 2.1.1 This Framework Agreement commences and takes legal effect, on and from DS3 System Services Go-Live and continues in full force and effect for a period of not less than 12 months from DS3 System Services Go-Live and shall end at the expiry of that 12 month period unless terminated or otherwise agreed between the Parties in accordance with this Agreement.
- 2.1.2 If the commencement or completion of a procurement process in respect of a framework or contract which the Company intends to use as a partial or total replacement for the Framework Agreement or any DS3 System Services Framework Agreement is delayed due to a legal challenge (or threat of a legal challenge) or for any other reason whatever, the Company may, at its absolute

discretion, but subject to the written consent of the Service Provider extend the term in respect of the Framework Agreement by a period of up to eighteen (18) months by notice in writing to all the Framework Members appointed to the Framework Agreements.

## 2.2 Survival of Rights on Termination

### 2.2.1 Termination of this Agreement shall not affect:

- (i) rights or obligations which may have accrued prior to such termination; or
- (ii) continuing obligations of each of the Parties under this Agreement which are expressed to continue after termination of this Agreement.

## 2.3 Conditions Precedent

2.3.1 The Parties' rights and obligations under this Agreement (save for those set out in Clauses 2.3.2 and 2.3.3) shall in all respects be conditional on the fulfilment by the Service Provider of its obligations under Clauses 2.3.2 and 2.3.3 by not later than the date falling thirty (30) days after the date of this Agreement.

2.3.2 To the extent that the Service Provider participates in the Single Electricity Market, the Service Provider shall be a party to the TSC and the Service Provider shall be registered as the Participant (as defined in the TSC) for the Providing Unit under the TSC.

2.3.3 The Service Provider shall be a party to a Connection Agreement or Interface Agreement for the Providing Unit.

## 2.4 Appointment

2.4.1 The Company hereby appoints the Service Provider to, and the Service Provider accepts its appointment to, the Framework Agreement in respect of which it is identified as a Framework Member as shall be published on the Company's website, and from DS3 System Services Go-Live for the term of the Framework Agreement subject to, and in accordance with, the Framework Agreement.

2.4.2 The Service Provider hereby acknowledges and agrees that, despite its appointment to the Framework Agreement or the provision by it of any DS3 System Services under this Framework Agreement:-:

- a) it does not have any exclusive right to make available and/or provide any works, services, supplies or deliverables to the Company;
- b) there is no guarantee of any volume, frequency or availability of works, services or supplies.

2.4.3 A Framework Member, including the Service Provider, is only eligible to make available and/or to provide services to the Company in respect of a particular DS3 System Service if it has been appointed to the Framework Agreement for that specific DS3 System Service.

## 2.5 Availability of Services

Appointment of the Service Provider to this Framework Agreement shall entitle the Service Provider to payment for making available Relevant DS3 System Services, as set out in Schedule 9 Part 3, in accordance with the terms, conditions and specifications of this Agreement where the following conditions exist:

- a) Where the Providing Unit can provide Relevant DS3 Services in accordance with Schedules 2, and/or Schedule 3 and/or Schedule 4, and;
- b) Where the Service Provider provides availability to the Company of the Relevant DS3 System Services.

## 2.6 Implementation of Services

2.6.1 If the Company, during the term of the Framework Agreement, has a requirement for the provision of particular DS3 System Services (the specifications of which services are set out in Schedule 2, Schedule 3 and Schedule 4), and where a Service Provider has made such services available in accordance with this Framework Agreement, the Company may require the immediate implementation of any or all Relevant DS3 System Services made available by a Service Provider and require a Service Provider to provide those services.

2.6.2 The provision of such implemented services shall be in accordance with the applicable parameters, terms and conditions as are set out in this Framework Agreement, in particular Schedule 2, Schedule 3, Schedule 4 and Schedule 9 and/or as may otherwise be issued by the Company under this Framework Agreement.



2.6.3 The Company, at its sole discretion, may require the implementation and provision of any Relevant DS3 System Services from any one, more or all of the Framework Members who have made DS3 System Services available under this Framework Agreement.

## 2.7 Contract

The provision of availability of Relevant DS3 System Services and/or the provision of any DS3 System Services required to be implemented by the Company shall be deemed a contract concluded and made in accordance with the terms, conditions and specifications of this Framework Agreement.

## 3 Provision and Purchase of DS3 System Services

### 3.1 Duty to provide DS3 System Services in accordance with the applicable Operating Parameters

3.1.1 In consideration of the Company's agreement to pay the DS3 System Services Payments to the Service Provider on the terms and subject to the conditions of this Agreement, the Service Provider shall at all times during the term of, and subject to, this Agreement maintain, repair, fuel and operate the Providing Unit as required by Good Industry Practice and any legal requirements in order to provide the Relevant DS3 System Services in accordance with the applicable Operating Parameters.

3.1.2 The Service Provider shall reasonably endeavour not to issue or allow to remain outstanding an Availability Notice, a Technical Parameters Notice or an Additional Grid Code Characteristics Notice which declares the Availability, applicable Technical Parameters or additional technical data (respectively) of a Providing Unit at levels or values inferior to those that the Providing Unit could achieve at that time except:

- (i) during periods of Scheduled Outage or forced outage or otherwise with the consent of the Company;
- (ii) where necessary to avoid an imminent risk of injury to persons or material damage to property (including the Providing Unit);
- (iii) where it is not lawful for the Service Provider to operate the Providing Unit;

- (iv) to the extent that the Service Provider is affected by Force Majeure; or
- (v) in the event of a test of the Providing Unit under OC11 of the Grid Code or a System Test under OC10 of the Grid Code,

provided that this Clause 3.1.2 shall not require the Service Provider to declare levels or values better than those specified in Schedule 9.

### 3.2 Compliance with the Grid Code, Distribution Code and Protocol

- 3.2.1 The Service Provider shall, during the term of this Agreement, comply with the Grid Code, Distribution Code and the Protocol as appropriate as it relates to the provision of the DS3 System Services, (including declaring to the Company any inability to comply with the applicable Operating Parameters), subject to any derogations granted to the Service Provider by the Regulatory Authority.

### 3.3 Dispatch Instructions

- 3.3.1 The Service Provider shall, subject to Clause 3.4, comply with the terms of all Dispatch Instructions relating to the DS3 System Services.

### 3.4 TSC

- 3.4.1 To the extent that the Service Provider is a party to the TSC, nothing in this Agreement shall prevent the Service Provider from operating the Providing Unit in such a manner so as to comply with its obligations under the TSC.
- 3.4.2 The Service Provider shall provide Technical Offer Data to the Company in accordance with the TSC. For the avoidance of doubt this clause 3.4.2 shall apply regardless of whether or not the Service Provider is a party to the TSC. Such Technical Offer Data will be subject to validation by the Company.

### 3.5 Planned Maintenance

- 3.5.1 The Service Provider shall, without limitation to its obligations under Clause 3.2, plan its maintenance requirements including outage plans for the Providing Unit in accordance with Good Industry Practice.

## 4 Payment

### 4.1 Payment Rates for DS3 System Services

- 4.1.1 The rates for calculating DS3 System Services Payments are as set out in the Charging Statement.

### 4.2 Payments

- 4.2.1 In consideration of the provision of the DS3 System Service(s) pursuant to this Agreement the Company shall pay the Service Provider the payments ("**DS3 System Service Payments**") as calculated in accordance with the Schedule(s) relating to the Relevant DS3 System Service(s) provided always that the Service Provider has passed all Compliance Requirements as set out in the Protocol.
- 4.2.2 All amounts payable by the Company under this Agreement are exclusive of any applicable Value Added Tax, sales tax or other lawful taxes or levies applicable by reason of the performance of the Agreement and the Parties agree that an amount equal to any applicable Value Added Tax, sales tax or other lawful taxes or levies lawfully chargeable in respect of the performance of the Agreement shall be payable or repayable, as the case may be, in addition to, at the same time and in the same manner as the amounts to which it relates.
- 4.2.3 The Company shall have no right to settle amounts due to the Service Provider under this Agreement net of amounts due to the Company by the Service Provider under other agreements.

### 4.3 Billing and Payment Plan

- 4.3.1 The provisions of Schedule 5 shall apply in relation to the billing and payment of DS3 System Services Payments.

## **5 Monitoring and Metering**

- 5.1 The Company may use or install Metering Equipment and Monitoring Equipment to ensure that the Service Provider is complying with its obligations to provide the Relevant DS3 System Services from the Providing Unit both in accordance with the Grid Code or Distribution Code or the Protocol where applicable and in accordance with the terms of this Agreement.
- 5.2 The relationship between the Parties with respect to Metering Equipment shall be regulated in accordance with the Metering Code.
- 5.3 Without purporting to exhaustively specify the circumstances in which no payments will be made under this Agreement, no payments will be made under this Agreement in respect of a Relevant DS3 System Service to be provided from a Providing Unit in relation to any period when the Providing Unit or the Service Provider's Installation at any Connection Site used by that Providing Unit, is prevented from providing that Relevant DS3 System Service by reason of a circumstance of a Force Majeure or, the Providing Unit being De-energised, Decommissioned or Disconnected for any reason pursuant to the relevant Connection Agreement, Interface Agreement or Use of System Agreement (as applicable) or in accordance with the provisions set out in Schedules 2, 3 or 4.
- 5.4 Where the Service Provider serves notice to Decommission or Disconnect the Service Provider's Installation at a Connection Site under the Connection Agreement or Interface Agreement, the Parties shall discuss in good faith the possibility of terms being offered for the continued provision following the date when Decommissioning or Disconnection would otherwise have occurred of any DS3 System Service which was being provided by the Service Provider at that Connection Site immediately before service of the notice to Decommission or Disconnect and for which the Company is unable to find a reasonable alternative.
- 5.5 The Service Provider will accept the data provided by the Metering Equipment and/or Monitoring Equipment applicable to the Providing Unit and the Company's monitoring system including meters and SCADA or State Estimators unless it has reasonable grounds for believing that such Metering Equipment or Monitoring Equipment is defective, in which case the Service Provider shall notify the Company and the Parties will make every effort to resolve the issue and reconcile the payments. Any dispute under this Clause 5.5 shall be referable to the Expert.

## **6 Assignment**

- 6.1 The Service Provider shall not assign, novate or otherwise transfer nor purport to assign novate or otherwise transfer the benefit or burden of this Agreement save in the following circumstances:-
- (a) the Service Provider may assign or charge its benefit under this Agreement in whole or in part by way of security;
  - (b) the Service Provider may transfer its rights and obligations under this Agreement, upon the disposal of the whole of the Service Provider's business or undertaking, to the purchaser thereof, provided that the Company or the Distribution Network Owner (as the case may be) has consented to the transfer of the Service Provider's rights and obligations under the Connection Agreement or Interface Agreement as applicable; or
  - (c) upon disposal of part of the Service Provider's business or undertaking comprising the Service Provider's Installation at one or more Connection Sites the Service Provider may transfer such of its rights and obligations under this Agreement as relate to the Providing Unit and the Relevant DS3 System Services concerned to the purchaser thereof, provided that the Company or the Distribution Network Owner (as the case may be) has consented to the transfer of the Service Provider's rights and obligations under the Connection Agreement relevant to the part of the business or undertaking to be transferred.
- 6.2 The Company may at any time assign, novate or otherwise transfer all of its rights and obligations under this Agreement to an Affiliate or to another person who by statute becomes legal successor to the Company or, in the event that the Company ceases to be the transmission system operator in Northern Ireland to its successor Transmission System Operator in Northern Ireland.
- 6.3 No assignment, novation or other transfer pursuant to Clause 6.1 or 6.2 shall be effective unless and until the assignor has procured the proposed assignee to covenant directly with the other Party to observe and perform all the terms and conditions of this Agreement (so far as they apply to the assignee), has provided to the other Party a certified copy of the assignment (omitting the consideration and any other commercial terms) and has procured that any guarantee in respect of the assignor's obligations is extended to the proposed assignee or replaced by another providing the other Party with equivalent security.

## **7 Variations**

- 7.1 This Agreement may not be varied without the prior written approval of the Regulatory Authority provided that the approval of the Regulatory Authority shall not be required in relation to variation of the Operating Parameters set out in Schedule 9. Subject to Regulatory Authority approval being obtained, this Agreement may be varied if made in writing and signed by both Parties (but not otherwise).
- 7.2 Either Party may at any time give written notice to the other proposing that this Agreement be varied.
- 7.3 If, after execution of this Agreement, there shall be enacted and brought into force legislation and/or any Directive, rule, regulation, direction, statutory instrument or order of any Competent Authority arising there from, or change in the Grid Code, Distribution Code, Metering Code or Trading and Settlement Code providing for:
- 7.3.1 the further reorganisation of all or part the electricity industry in either Northern Ireland or Ireland, or
  - 7.3.2 the facilitation of the introduction of third party interests to the affairs of such electricity industry or any part of it, or
  - 7.3.3 the amendment or variation of any policy of the Company or the manner in which the Transmission System or Distribution System and any agreements or codes related thereto are organised, or
  - 7.3.4 the imposition of a public service obligation on the Company.

which necessitates a variation to this Agreement, the Parties shall, subject always to Clause 7.1, effect such changes to this Agreement as are reasonably necessary so as to ensure that the operations contemplated by this Agreement shall be conducted in a manner which is consistent with the effect of the new legislation, Directive, rule, regulation, direction, statutory instrument or order, or change in the Grid Code, Distribution Code, Metering Code or Trading and Settlement Code and most closely reflect the intentions of the same with effect from the date thereof provided that any such amendment:

- (i) will be of no greater extent than is required by reason of the new legislation, Directive, rule, regulation, direction, statutory instrument or order, or change in the Grid Code, Metering Code, the Distribution Code or Trading and Settlement Code; but

(ii) shall not deal with the cost implications under this Agreement of any such new legislation, Directive, rule, regulation, direction, statutory instrument or order, or change in the Grid Code, Metering Code, the Distribution Code or Trading and Settlement Code, which, if any, shall fall to be considered in accordance with the provisions of clause 13 of this Agreement.

- 7.4 Notwithstanding clauses 7.1 to 7.3 above, the Company shall be entitled to carry out such testing as it deems appropriate for the purpose of confirming all of the Operating Parameters values set out in Schedule 9 and by notice in writing to the Service Provider to revise such values in accordance with the results of such testing. The service provider shall provide all reasonable assistance to the Company in carrying out this testing and shall be responsible for the reasonable costs of the same.
- 7.5 If any variation proposed under Clause 7.3, has not been agreed by the Parties within one (1) month of its being proposed, then either Party may refer to the Regulatory Authority for determination and the Parties agree to abide by and to effect the Regulatory Authority's determination, if necessary by entering into an agreement supplemental to this Agreement.

## **8 Termination**

- 8.1 The Company shall be entitled:

8.1.1 without prejudice to the remaining rights and obligations of the Parties under this Agreement, by three (3) months' notice in writing to the Service Provider to terminate the Parties' respective obligations relating to the provision of any one or more of the Relevant DS3 System Services and/or relating to the Providing Unit; or

8.1.2 by three (3) months' notice in writing to the Service Provider, to terminate this Agreement.

- 8.2 The Company may in respect of any of the events of default set out in sub-clauses 8.2 (i) to (x) by notice in writing to the Service Provider terminate this Agreement in its entirety or, solely in relation to the Relevant DS3 System Service(s) to which the notice of the event of default relates, forthwith upon:

(i) the Service Provider ceasing to be a signatory to the Trading and Settlement Code to the extent that the Service Provider is a party to the Trading and Settlement Code, otherwise than due to the Trading and Settlement Code being terminated; or

- (ii) termination of the Trading and Settlement Code save where the same is replaced with alternative electricity trading arrangements; or
- (iii) the Connection Agreement or Interface Agreement (as applicable) being properly terminated in accordance with its terms provided always that, where this Agreement relates to the provision of the Relevant DS3 System Services from more than one of the Service Provider's Installations the right for the Company to terminate this Agreement shall be limited to termination of the Parties' respective obligations relating to the Relevant DS3 System Services to be provided from the Service Provider's Installation for which the relevant Connection Agreement or Interface Agreement (as applicable) has terminated; or
- (iv) the Use of System Agreement being properly terminated in accordance with its terms to the extent that the Providing Unit is connected to the Transmission System; or
- (v) revocation or withdrawal of the TSO Licence or any replacement thereof granted to the Company by a Competent Authority; or
- (vi) revocation or withdrawal of the Generation Licence and/or Supply Licence (as applicable) or any replacement thereof granted to the Service Provider by a Competent Authority; or
- (vii) the Service Provider failing to comply with or failing to operate in conformity with any provisions of this Agreement or the Grid Code where such failure is a material breach of this Agreement or the Grid Code, as the case may be (being one which materially affects the Service Provider's ability to perform its obligations under the Agreement), and, if such failure is capable of remedy but remains unremedied for a reasonable period provided for in this Agreement or, if none is provided for, then twenty (20) Business Days following the date on which the Service Provider is given notice of the default by the Company; or
- (viii) in relation to the Service Provider:
  - (a) an order of the High Court being made or an effective resolution passed for its insolvent winding up or dissolution; or
  - (b) a receiver (which expression shall if applicable include an examiner within the meaning of Section 1 of the Companies Amendment Act, 1990)



administrative receiver or administrator of the whole or any material part of its assets or undertaking being appointed; or

- (c) any scheme of arrangement being entered into (other than for the purpose of a solvent reconstruction or amalgamation upon terms and within such period as may previously have been approved in writing by the Company); or
- (d) inability to pay its debts within the meaning of the Relevant Legislation; or
- (ix) the Service Provider failing to pay (other than by inadvertent error in transfer of funds which is discovered by the Company, notified to the Service Provider and corrected within two (2) Business Days thereafter) any amount properly due or owing from it pursuant to this Agreement according to its terms and such failure to pay continues unremedied (and not disputed in good faith and upon reasonable grounds) at the expiry of fifteen (15) Business Days following receipt of written notice from the Company of such failure,
- (x) the Providing Unit being destroyed or damaged (including by Force Majeure) to such an extent as to be incapable of providing DS3 System Services, and it is agreed between the Parties or, determined by an Expert that the Providing Unit is unlikely to be restored to at least seventy-five per cent (75%) of the Registered Capacity within [24] months after the date on which the destruction or damage occurred,

and in any such case in Clause 8.2(viii) within twenty-eight (28) days of appointment of the liquidator, receiver, administrative receiver, administrator nominee or other similar officer, such person has not provided to the Company a guarantee of future performance by the Service Provider of the Agreement in such form and amount as the Company may reasonably require.

8.3 The Service Provider may by notice in writing to the Company terminate this Agreement forthwith upon:

- (i) the Company failing to pay (other than by inadvertent error in funds transmission which is discovered by the Service Provider, notified to the Company and corrected within two (2) Business Days thereafter) any material amount properly due or owing from it pursuant to this Agreement according to its terms and such failure to pay continues unremedied (and not disputed in good faith and upon reasonable grounds) at the expiry of fifteen (15) Business Days following receipt of written notice from the Service Provider of such failure; or

- (ii) the revocation or withdrawal of the TSO Licence or any replacement thereof granted to the Company by a Competent Authority.

8.4 Without prejudice to any other remedy to which either Party may be entitled for breach of this Agreement, this Clause 8 states the only circumstances in which either Party may unilaterally terminate this Agreement.

## **9 Effect of Termination**

9.1 The relevant provisions of this Agreement shall survive expiry or termination of this Agreement to the extent necessary to provide for final billings, adjustments and payments of any payments, charges or other monies due and owing pursuant to this Agreement.

9.2 Termination of this Agreement as a whole or in relation to any individual Relevant DS3 System Service under Clause 8 (*Termination*) shall not affect any rights or obligations of the Parties which have accrued at the time of such termination or, where applicable, the continuing obligations of the Parties under this Agreement.

## **10. Force Majeure**

10.1 If during any Trading Period, the Providing Unit cannot provide the Relevant DS3 System Service(s) owing to Force Majeure, the Service Provider shall not be entitled to DS3 System Services Payments for that Trading Period and no change will be made to the Performance Scalar(s) by the Company.

10.2 As soon as reasonably practicable following the occurrence of Force Majeure:

- (a) either Party (the “Notifying Party”) shall notify the other Party of the Force Majeure, identifying the nature of the event and the duration of its effect which the Notifying Party believes to be reasonably likely;
- (b) the Notifying Party shall afford the other Party reasonable facilities for obtaining further information about the event including facilities for site inspection; and
- (c) the Notifying Party shall take, at its own cost, all steps reasonably required to remedy the effects of the Force Majeure.

- 10.3 Subject to the other provisions of this Clause 10, the Notifying Party shall not be in breach of its obligations under this Agreement for so long as and to the extent that the performance of such obligations continues to be prevented by the relevant event of Force Majeure.

## **11 Limitation of Liability**

- 11.1 Neither Party nor any of their respective officers, employees or agents shall be liable to the other Party for any losses, damages, claims, liabilities, costs or expenses arising from any breach of this Agreement other than for losses, damages, claims, liabilities, costs or expenses directly resulting from a breach which at the date of this Agreement was reasonably foreseeable as likely to occur in the ordinary course of events from such breach in respect of:

- (a) physical damage being occasioned to the property of the other Party, its officers, employees or agents; or
- (b) the liability of the other Party to any other person for loss in respect of physical damage caused directly to the property of such other person as a result of such breach (a claim by a third party in respect of that liability hereafter in Clause 11.5 being referred to as a "legal claim"); or
- (c) (in the case of breach by the Service Provider) purchasing or obtaining services where reasonably and necessarily required to replace the Relevant DS3 System Services which, at the date of this Agreement, the Parties agree and acknowledge is reasonably foreseeable as likely to occur in the ordinary course of events from such breaches,

provided that the liability of either Party in respect of all such losses, damages, claims, liabilities, costs or expenses shall not exceed the Liability Cap.

- 11.2 Subject to Clause 11.3 and any provision of this Agreement which provides for payment obligations or an indemnity, neither Party nor any of their respective officers, directors, employees or agents shall in any circumstances whatsoever be liable to the other Party for:

- (a) loss of profit, loss of revenue, loss of use, loss of contract (other than this Agreement) or loss of goodwill; or

- (b) indirect or consequential loss, incidental or special damages (including punitive damages); or
- (c) loss resulting from the liability of the other Party to any other person howsoever and whensoever arising save as provided in Clauses 11.1 and 11.3.

- 11.3 Nothing in this Agreement shall exclude or limit the liability of one Party “the Party Liable” for death or personal injury to an officer, employee or agent of the other Party, “the Party Not Liable”, resulting directly from the negligence of the Party Liable or any of its officers, employees and agents and, the Party Liable shall indemnify and keep indemnified the Party Not Liable, its officers, employees and agents from and against any losses, damages, claims, liabilities, costs or expenses which the Party Not Liable may suffer or incur by reason of any claim on account of death or personal injury resulting from the negligence of the Party Liable or the negligence of any of its officers, employees or agents (such claim hereafter in Clause 11.6 being referred to as an “injury claim”).
- 11.4 The rights and remedies provided by this Agreement to the Parties are exclusive and not cumulative and exclude and are in place of all substantive (but not procedural) rights or remedies expressed or implied and provided by common law or statute in respect of the subject matter of this Agreement, including without limitation any rights either Party may possess in tort which shall include without limitation actions brought in negligence and/or nuisance. Accordingly, each of the Parties hereby waives to the fullest extent possible all such rights and remedies provided by common law or statute, and releases the other Party, its officers, employees and agents to the same extent from all duties, liabilities, responsibilities or obligations provided by common law or statute in respect of the matters dealt with in this Agreement and undertakes not to enforce any of the same except as expressly provided herein.
- 11.5 In the event of any legal claim being made by a third party against the Party Not Liable, the Party Liable shall be promptly notified by the Party Not Liable of the legal claim and, the Party Liable may, at its own expense, conduct all negotiations for the settlement of the claim and any litigation that may arise from the claim. The Party Not Liable shall not, unless and until the Party Liable has failed to unconditionally agree in writing to take over the conduct of the negotiations or litigation in respect of the legal claim within ten (10) Business Days of receiving notice from the Party Not Liable requesting it to do so, make any admission which might be prejudicial to the claim. The conduct by the Party Liable of such negotiations or litigation shall be conditional upon the Party Liable having first given to the Party Not Liable such reasonable security as the Party Not Liable shall from time to time notify the Party Liable that it requires to cover the amount ascertained or agreed or estimated, as the case may be, of any losses, damages, claims, liabilities or costs for

which the Party Not Liable may become liable in respect of the legal claim. The Party Not Liable shall, at the request of the Party Liable, afford all available assistance for the purpose of contesting the legal claim and shall be paid by the Party Liable (within ten (10) Business Days of the date of its invoice therefor) all reasonable expenses incurred in so doing.

11.6 In the event of any injury claim being made by a third party against the Party Not Liable, the Party Liable shall be promptly notified by the Party Not Liable of the injury claim and, the Party Liable may at its own expense, conduct all negotiations for the settlement of the claim and any litigation that may arise from the claim. The Party Not Liable shall not, unless and until the Party Liable has failed to unconditionally agree in writing to take over the conduct of the negotiations or litigation in respect of the injury claim within ten (10) Business Days of receiving notice from the Party Not Liable requesting it to do so, make any admission which might be prejudicial to the claim. The conduct by the Party Liable of such negotiations or litigation shall be conditional upon the Party Liable having first given to the Party Not Liable such reasonable security as the Party Not Liable shall from time to time notify the Party Liable that it requires to cover the amount ascertained or agreed or estimated, as the case may be of any losses, damages, claims, liabilities, costs or expenses for which the Party Not Liable may become liable in respect of the injury claim. The Party Not Liable shall, at the request of the Party Liable, afford all available assistance for the purpose of contesting the injury claim and shall be paid by the Party Liable (within ten (10) Business Days of the date of its invoice therefor) all reasonable expenses incurred in so doing.

11.7 Each of the provisions of this Clause 11 shall:

11.7.1 be construed as a separate and severable contract term, and if one or more of such provisions is held to be invalid, unlawful or otherwise unenforceable the other or others of such provisions shall remain in full force and effect and shall continue to bind the Parties; and

11.7.2 survive termination of this Agreement.

11.8 Each of the Parties agrees that the other Party holds the benefit of Clauses 11.1, 11.2 and 11.3 for itself and as trustee and agent for its officers, directors, employees and agents.

11.9 For the avoidance of doubt nothing in this Clause 11 shall prevent or restrict either Party enforcing any obligation (including suing for a debt) owed to it under or pursuant to this Agreement.

11.10 Nothing in this Clause 11 shall exclude or restrict or otherwise prejudice or affect any:

- (a) rights and obligations of either Party which are conferred or created by the Act, the TSO Licence or the Service Provider's Generation Licence or Supply Licence (as the case may be), or statutory regulations; or
- (b) rights, powers, duties and obligations of the Regulatory Authority or any other Competent Authority under the Order, any licence granted under the Order or otherwise howsoever.

11.11 Subject to Clause 11.10 and unless expressly provided otherwise in this Agreement, this Clause 11 insofar as it excludes or limits liability shall override any other provisions of this Agreement.

11.12 Each Party hereby acknowledges and agrees that the provisions of this Clause 11 are fair and reasonable having regard to the circumstances as at the date of this Agreement.

## **12 Confidentiality**

12.1 Each Party shall treat any and all information and data disclosed to it by the other Party in connection with this Agreement in any form whatsoever, and this Agreement itself, (the "Confidential Information") as confidential and proprietary, shall preserve the secrecy of the Confidential Information and shall not use the Confidential Information for any purpose other than solely in connection with this Agreement.

12.2 For the purposes of this Clause 12, the term "Confidential Information" shall not include information which:

12.2.1 at the time of disclosure or at any time thereafter is in, or becomes part of, the public domain other than through a breach of the provisions of this Clause 12;

12.2.2 the Party receiving the information can prove that the information was already known to it or was independently acquired or developed by it without being in breach of its obligations under this Clause 12;

12.2.3 became available to the Party receiving the information from another source in a non-confidential manner otherwise than in breach of an obligation of confidentiality; or

12.2.4 is published by or the publication of which is required by a Competent Authority.

12.3 Notwithstanding the provisions of Clause 12.1, Confidential Information may be disclosed by a Party:

12.3.1 to those of the shareholders, owners, directors, officers, employees, agents, consultants, contractors, advisers, investors, proposed assignees, insurers, lenders or bona fide prospective purchasers of all or substantially all of the shares of such Party or its Affiliates who need to know the Confidential Information provided that:

- (a) the recipient agrees to keep the Confidential Information confidential on terms no less onerous than contained in this Clause 12; and
- (b) the disclosing Party shall be responsible for ensuring that the recipient observes and complies with such obligation to keep the Confidential Information confidential and shall accordingly be responsible for any failure of the recipient to do so;

12.3.2 as may be ordered or required by any applicable law or a Competent Authority;

12.3.3 as may be required by the regulations of any recognised stock exchange upon which the share capital of the Party (or any parent undertaking of the Party) is or is proposed to be from time to time listed or dealt in, and the Party making the disclosure shall, if reasonably practicable prior to making the disclosure, and in any event as soon as reasonably practicable thereafter, supply the other Party with a copy of such disclosure or statement and details of the persons to whom the Confidential Information is to be, or has been, disclosed. Where a copy of such disclosure or statement has been supplied prior to making the disclosure, the other Party may give comments on that disclosure or statement to the Party proposing to make it. The Party proposing to make the disclosure shall, if reasonably practicable in the time available, consult with the other Party as to any such comments and consider whether the disclosure is to be amended to take into account the comments;

12.3.4 as may be permitted by or required to comply with the requirements of the Grid Code, Distribution Code, Metering Code or the Trading and Settlement Code;

12.3.5 by either Party as may be necessary to comply with any obligation under any licence (or any document referred to therein) granted to it under the Order;

12.3.6 (by the Company) to the Other TSO and otherwise as may be necessary to enable the Company to operate the Transmission System and carry out its obligations in relation thereto in accordance with Good Industry Practice (including in relation to the application by any person for connection to the Transmission System), provided that:

- (a) only Confidential Information which is necessary for such purpose is disclosed by the Company; and
- (b) the Company notifies the recipient in advance of such disclosure that the information is confidential and should not be disclosed by the recipient to third parties;

12.3.7 as may be required by a Court, arbitrator or administrative tribunal or an expert in the course of proceedings before it to which the disclosing Party is a party; or

12.3.8 as may be agreed in writing by the Parties prior to disclosure by the Party disclosing such Confidential Information.

12.3.9 (for the avoidance of doubt) in compliance with the requirements of Article 38 of the Order or the provisions of the Northern Ireland Fuel Security Code.

12.4 All information supplied by or on behalf of a Party shall remain the sole and exclusive property of such Party and this Agreement shall not operate to transfer ownership or any interest whatsoever therein, and the other Party shall, if requested by the Party disclosing the information following termination of this Agreement, promptly return to such Party all documents and any copies, extracts, notes or similar materials containing or based in whole on such information.

12.5 With effect from the date of this Agreement both Parties shall adopt procedures within their organisations for ensuring the confidentiality of all information which they are obliged to preserve as confidential under Clause 12.1. Those procedures shall be as follows:

12.5.1 the Confidential Information will be disseminated only to persons who need such information for the purpose of carrying out those functions which they are employed to carry out;

12.5.2 the Confidential Information shall not be used by either Party for the purpose of obtaining for itself or any of its Affiliates or for any other person any contract or



arrangement for the supply of electricity to any person without the prior consent of the Party disclosing such Confidential Information;

12.5.3 employees, directors, Affiliates, agents, proposed assignees, bona fide prospective purchasers of all or substantially all of the shares of a Party, consultants and professional advisers of both Parties in receipt of Confidential Information will be made fully aware of the Party's obligations of confidence in relation thereto and the Party will be responsible for any failure by such persons to comply with such obligations as if they were parties to this Agreement; and

12.5.4 any copies of the Confidential Information will, insofar as is reasonably practicable, whether in hard copy or computerised form, clearly identify the Confidential Information as confidential.

12.6 The provisions of this Clause 12 shall continue to bind a Party after termination of this Agreement, in whole or in part, for five (5) years.

12.7 Subject to Clause 12.3, no public announcement or statement regarding the signature, performance or termination of, or otherwise in relation to, the Agreement shall be issued or made by a Party unless the other Party shall have first been furnished with a written copy of the proposed announcement or statement and shall have approved it (such approval not to be unreasonably withheld or delayed).

### **13 Additional Costs**

13.1 Save where expressly provided for otherwise in this Agreement, if:-

(a) the Service Provider is of the opinion that in order to comply with any change in or amendment to the Grid Code or Distribution Code (for the avoidance of doubt excluding the withdrawal of or reduction in the scope of a derogation) or any statutory or regulatory obligation coming into force after the date hereof the Service Provider is obliged to incur additional costs and expenses ("**Costs**") for the purpose of carrying out modifications to the Providing Unit or otherwise for the purposes of changing the manner of operation of the Providing Unit in relation to the provision of any Relevant DS3 System Service; or

(b) the Company is of the opinion that by reason of any change in or amendment to the Grid Code or Distribution Code or any statutory or regulatory obligation coming into force after the date hereof the Service Provider is able to make savings in the cost and expense ("**Savings**") of providing any Relevant DS3 System Service from the Providing Unit.

then either the Service Provider or the Company (as the case may be) may, by notice in writing notify the other Party, require it to meet in order to discuss the Costs or Savings (as the case may be) and the Company shall give due consideration to those Costs and Savings in setting the Payment Rates in the next revision of the Charging Statement to be approved by the Regulatory Authority and published in accordance with Condition 30 of the TSO Licence.

## **14 Dispute Resolution**

- 14.1 If any dispute or difference arises between the Parties in connection with this Agreement, it shall, subject to any express provision to the contrary, be resolved in accordance with the provisions set out in Schedule 6.

## **15 Miscellaneous**

### **15.1 Counterparts**

This Agreement may be executed in any number of counterparts and by each Party on a separate counterpart, each of which when executed and delivered shall be an original, but all the counterparts together shall constitute one and the same document.

### **15.2 Entire Agreement**

This Agreement contains and expressly refers to the entire agreement between the Parties with respect to its subject matter and expressly excludes any warranty, condition or other undertaking implied at law or by custom and with effect from DS3 System Services Go-Live supersedes all previous agreements and understandings between the Parties (other than as provided for in this Agreement) with respect to its subject matter and each of the Parties acknowledges and confirms that it does not enter into this Agreement in reliance on any representation, warranty or other undertaking by the other Party not fully reflected in this Agreement

### **15.3 Severability**

If any provision of this Agreement is or becomes invalid, unenforceable or illegal by a judgement or decision of any court of competent jurisdiction or any Competent Authority to which it is subject or by order of the relevant body of the European Union, the same shall be deemed severable and the remainder of this Agreement shall remain in full force and effect. In any such case, the Parties will negotiate in good faith with a view to agreeing one or more provisions which may be substituted for such invalid or unenforceable provision in order to give effect, so far as practicable, to the spirit of this Agreement.

#### 15.4 Waivers

No delay or forbearance by either Party in exercising any right, power, privilege or remedy under this Agreement shall operate to impair or be construed as a waiver of the right, power, privilege or remedy. For the avoidance of doubt any waiver by either Party of the obligations of the other Party shall be evidenced by an agreement in writing signed by both Parties. A single or partial exercise of any such right, power, privilege or remedy shall not preclude any further exercise thereof or the exercise of any other right, power, privilege or remedy.

#### 15.5 Notices

Except for notices to be given pursuant to the Grid Code (as to which, for the avoidance of doubt, the provisions of the Grid Code shall apply) or the Distribution Code (as to which, for the avoidance of doubt, the procedures provided for in the Distribution Code shall apply), any notice given by one Party to the other under this Agreement shall be in writing unless emergency conditions exist reasonably preventing such notice from being given and shall be sent or delivered to the address, and marked for the attention of the person specified in Schedule 7. Either Party may, by notice to the other, given in compliance with this Clause 15.5, change the address or the person to which such notices are to be sent or delivered.

All such written notices shall either be personally delivered or be sent by pre-paid registered post (airmail if overseas) or facsimile transfer. Communication by facsimile shall be confirmed by forwarding a copy of same by pre-paid registered post.

Any notice so delivered, posted or transferred shall be deemed to have been given:

- (a) in the case of personal delivery, when delivered;
- (b) in the case of pre-paid registered post, on the second day following the date of posting (or, if airmailed to or from overseas, on the fifth day following the date of posting); and
- (c) in the case of facsimile transfer on the date of dispatch provided:
  - (i) such date is a Business Day; and
  - (ii) time of dispatch is within the hours of 0900 hours and 1730 hours at the place of receipt,

otherwise on the next following Business Day.

#### 15.6 Compliance with the Law

The Parties agree that, in performing their respective obligations pursuant to this Agreement, the Company and the Service Provider shall be required to comply with relevant statutes, statutory instruments and the general law. Neither Party shall be liable for any failure to perform its obligations in accordance with this Agreement where to do so would put it in breach of any such statute, statutory instrument or general provision of law.

#### 15.7 Survival

The cancellation, expiry or termination of this Agreement shall not affect any rights or obligations which may have accrued prior to such expiry or termination and shall not affect any continuing obligations of either of the Parties under this Agreement including obligations that, by their nature should survive such termination, cancellation or expiry or any other terms of this Agreement by which rights or obligations are expressed to continue after expiry or termination of this Agreement.

#### 15.8 Independent Contractors

The relationship between the Company and the Service Provider shall be that of two independent contracting parties. Each Party shall be solely liable for the payment of all wages, taxes and other costs related to the employment by that Party of persons to meet its obligations under this Agreement.

#### 15.9 No Partnership

This Agreement shall not be interpreted or construed to create an association, joint venture, or partnership between the Service Provider and the Company. Neither the Service Provider nor the Company shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or to be an agent or representative of, or to otherwise bind, the other Party.

#### 15.10 No Third Party Beneficiaries

This Agreement is intended solely for the benefit of the Parties to it. Other than as specifically provided in this Agreement, nothing in this Agreement shall be construed to create any duty to, or standard of care with reference to, or any liability to, any person or entity not a party to this Agreement.

#### 15.11 Language

Each notification, notice, submission, demand, consent, request or other communication given by one Party to the other under this Agreement shall be in the English language.

## **16 Governing Law and Jurisdictions**

- 16.1 This Agreement shall be interpreted, construed and governed by the laws of the Jurisdiction.
- 16.2. Subject to the terms of the Dispute Resolution Procedure, resolution of any dispute shall unless the Parties otherwise agree be subject to the non-exclusive jurisdiction of the Courts of the Jurisdiction.
- 16.3 Each Party further agrees that a lawful finding or conclusion of the Regulatory Authority under this Agreement shall be conclusive and binding upon such Party and may be enforced in the courts of any jurisdiction.
- 16.4 Each Party irrevocably waives any objection which it may have now or hereafter to the laying of the venue of any proceedings in any court as is referred to in this clause and any claim that any proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgment in any proceedings brought in the courts of the Jurisdiction shall be conclusive and binding upon each Party and may be enforced in the courts of any other jurisdiction.

**IN WITNESS WHEREOF** this Agreement has been executed on the day and year first above written.

**Signed for and on behalf of:-**

**SONI Limited**

**Signed for and on behalf of:-**

**[Service Provider]**

## **Schedule 1**

### **DEFINITIONS**

**“Active Power”** has the meaning given to it in the Grid Code;

**“Affiliate”** means, in relation to either Party, any holding company or subsidiary or any subsidiary of a holding company of the relevant Party, in each case within the meaning of Section 1159 of the Companies Act 2006;

**“Aggregated Generating Unit”** has the meaning given to it in the Grid Code;

**“All Island Transmission Network”** means the Transmission System and the Ireland transmission system taken together;

**“Automatic Voltage Regulation”** means the automatic maintenance of a Providing Unit's terminal voltage or the automatic maintenance of a Providing Unit's Voltage setpoint, Reactive Power setpoint or Power Factor setpoint at its Connection Point, as appropriate;

**“Automatic Voltage Regulator Status” or “AVR Status”** means the status of the AVR of a Providing Unit, as further defined in Section 3.2 of Schedule 3;

**“Available Volume”** means, in relation to any of the DS3 System Services, the capability of the Providing Unit to provide such DS3 System Services to the Power System as calculated in accordance with the provisions of Schedule 2, Schedule 3 and Schedule 4;

**“Availability”** has the meaning given to it in the Grid Code;

**“Availability Notice”** has the meaning given to it in the Grid Code;

**“Business Day”** means a weekday which is not a public holiday or bank holiday in the Jurisdiction;

**“Central Dispatch”** has the meaning given to it in the Grid Code;

**“Centrally Dispatched”** means subject to Central Dispatch;

**“Charging Period”** means a period of one calendar month;

**“Charging Statement”** means the Company's DS3 System Services Statement of Payments published on the Company's website;

**“Cold”** means a cold Warmth State;

**“Company”** means SONI Limited and any legal successors in title under any restructuring of SONI Limited;

**“Competent Authority”** means the Regulatory Authority or any local, national or supra-national agency, authority, department, inspectorate, minister, official, Court, tribunal or public or statutory person (whether autonomous or not) of the United Kingdom (or the government thereof) or the European Union which has jurisdiction over a Party on the subject matter of the Agreement;

**“Compliance Requirements”** has the meaning given to it in the Protocol;

**“Confidential Information”** has the meaning set out in Clause 12;

**“Connection Agreement”** means in relation to a Service Provider’s Installation the agreement between the Company or the Distribution Network Owner and the Service Provider which provides the right for that Service Provider’s Installation to be and remain connected to the Transmission System or the Distribution System;

**“Connection Point”** means the physical point where the Providing Unit is joined to the Power System. For Interconnectors, in relation to SSRP, DRR and FPFAPR it means the physical point where the Interconnector is joined to the Power System. For Interconnectors, in relation to all other DS3 System Services it means the physical point where the Interconnector is joined to the power system of Great Britain;

**“Connection Site”** has the meaning given to it in the Grid Code;

**“Contracted”** means, in relation to POR, SOR, TOR1, TOR2, RR or FFR and in relation to a Trading Period, the maximum value for the response of the Providing Unit determined from the POR Reserve Characteristic, SOR Reserve Characteristic, TOR1 Reserve Characteristic, TOR2 Reserve Characteristic, RR Reserve Characteristic or FFR Characteristic respectively by reference to the MW Output of the Providing Unit for that Trading Period and in relation to Kinetic Energy means the value stated in Schedule 9 Operating Parameters;

**“Controllable WFPS”** has the meaning given to it in the Grid Code;

**“Declared”** means, in relation to any DS3 System Service and in relation to a Trading Period, the Time-Weighted Average value, unless specified otherwise as the lowest value, for the capability of the Providing Unit to provide such DS3 System Service during that Trading Period as notified by the Service Provider in accordance with the Grid Code or as stipulated by the Company as appropriate;

**“Declared Automatic Voltage Regulator Status”** means the AVR Status for the Trading Period as notified by the Service Provider to the Company;



**“Declared MinGen”** means the Time-Weighted Average of Minimum Generation in a Trading Period as notified by the Service Provider in accordance with the Grid Code or as stipulated by the Company as appropriate;

**“Decommission”** means cessation of use by the Service Provider of the Service Provider’s Installation at any given Connection Site for a continuous period exceeding 12 months and **“Decommissioned”** shall be construed accordingly;

**“De-Energise”** has the meaning given to it in the EirGrid Grid Code;

**“Demand”** has the meaning given to it in the Grid Code;

**“De-synchronised”** has the meaning given to it in the Grid Code;

**“Demand Side Unit”** has the meaning given to it in the Grid Code;

**“Directive”** means any present or future legislation, statutory instrument, directive, requirement, instruction, order, direction or rule of any Competent Authority binding on either or both of the Company and the Service Provider (but only, if not having the force of law, if compliance with the Directive is in accordance with the general practice of persons to whom the Directive is addressed) and includes any modification, extension or replacement thereof then in force;

**“Disconnection”** has the meaning set out in the Grid Code and **“Disconnected”** and **“Disconnect”** shall be construed accordingly;

**“Dispatch”** means the issue by the Company of instructions to a Service Provider in respect of the Providing Unit and the term **“Dispatched”** shall be construed accordingly;

**“Dispatchable”** means a Providing Unit that is capable of being Dispatched;

**“Dispatchable WFPS”** has the meaning given to it in the Grid Code;

**“Dispatch Instruction”** means an instruction given by the Company to the Service Provider in respect of the Providing Unit to change the output, fuel or manner of operation of the Providing Unit and **“Instruct”** and **“Instructed”** shall be construed accordingly;

**“Dispute Resolution Procedure”** means the procedure set out in Schedule 6;

**“Distribution Code”** has the meaning given to it in the Grid Code;

**“Distribution System”** has the meaning given to it in the Grid Code;

**“Distribution Network Owner”** has the meaning given to it in the Grid Code;

**“DS3 System Services”** for the purposes of this Agreement means the following services:

- the provision of POR, SOR, TOR1, TOR2, RR;
- the provision of SSRP; and
- the provision of SIR, FFR, FPFAPR, RM1, RM3, RM8 and DRR;

**“DS3 System Services Go-Live”** means 00:00 hours on 1<sup>st</sup> October 2016;

**“DS3 System Services Payments”** has the meaning given to it in Clause 4.2.1;

**“DSUSOIA”** means an agreement between the Service Provider and the Company which provides the right for the Providing Unit to be and remain connected to the Transmission System or the Distribution System to the extent that the Providing Unit is a Demand Side Unit;

**“Dynamic Reactive Response”** or **“DRR”** has the meaning given to it in Section 1 of Part E of Schedule 4;

**“Dynamic Response”** means a response provided by the Providing Unit by increases in MW Output or MW Reduction in a continuously controlled manner proportional to the Power System Frequency;

**“EAA”** means the Electricity Arbitration Association;

**“Energy Storage Providing Unit”** means a Providing Unit which uses storage devices to generate and consume electricity;

**“Euro”** or **“€”** means the single currency of participating Member States of the European Union;

**“Event”** means an unscheduled or unplanned (although it may have been anticipated) occurrence on the Power System or on the Other Transmission System including, without limiting that general description, faults, incidents and breakdowns;

**“Event Recorders”** means event recorders as specified in the Metering Code or where not so specified such other metering equipment as may be used to monitor the Frequency of the Power System;

**“Expert”** means the person appointed to determine a dispute under this Agreement in accordance with the Dispute Resolution Procedure;

**“Fail”** has the meaning given to it in the Protocol;

**“Fast Frequency Response”** or **“FFR”** has the meaning given to it in Section 1 of Part B of Schedule 4;

**“Fast Post-Fault Active Power Recovery” or “FPFAPR”** has the meaning given to it in Section1 of Part C of Schedule 4;

**“Fault Disturbance”** has the meaning given to it in the EirGrid Grid Code;

**“Force Majeure”** means any event or circumstance or number of events or circumstances or combination thereof which is beyond the reasonable control of a Party and which could not have been avoided through the use of Good Industry Practice and which results in or causes the failure of the Party to perform any of its obligations under the Agreement and includes but is not limited to the following events:

- (a) acts of terrorists;
- (b) war (whether declared or undeclared), threat of war, act of public enemy, blockade, revolution, riot, insurrection, public demonstration, civil commotion, invasion or armed conflict;
- (c) sabotage or acts of vandalism, criminal damage or the threat of such acts;
- (d) extreme weather or environmental conditions including lightning, earthquake, flood, wind, drought, storm, fire, landslip, accumulation of snow or ice, natural disasters and phenomena including meteorites, the occurrence of pressure waves caused by aircraft or other aerial devices travelling at supersonic speeds, impact by aircraft, volcanic eruption, explosion including nuclear explosion, radioactive or chemical contamination or ionising radiation;
- (e) any change of legislation, governmental order, restraint or Directive without justifiable cause by any relevant governmental authority having the effect of shutting down or reducing the supply of electricity to the Service Provider’s Installation or which prohibits (by rendering unlawful) the operation of the Service Provider’s Installation and such operation cannot be made lawful by a modification to the Service Provider’s Installation or a change in operating practice;
- (f) any strike which is part of a labour dispute of a national character occurring in Northern Ireland or which is part of a national electrical industry strike within Northern Ireland;
- (g) (in the event that the Providing Unit is not a Demand Side Unit) the inability at any time or from time to time of the Transmission System or Distribution System to be capable of lawfully or safely importing electricity from the Service Provider's Installation; or
- (h) failure or disruption of the systems for transferring funds between banks in the United Kingdom;

**“Frequency”** has the meaning given to it in the Grid Code;

**“Framework Agreement”** means this Agreement including all applicable Schedules, and Appendices as may be amended and/or supplemented by agreement of the Parties;

**“Framework Member”** means a Service Provider who has been validly appointed to the Framework Agreement;

**“GASOA”** means an agreement between the Service Provider and the Company which provides a right for the Providing Unit to be and remain connected to the Transmission System or Distribution System to the extent that the Providing Unit is an Aggregated Generating Unit;

**“Generation Unit”** has the meaning given to the term “Generating Unit” in the Grid Code;

**“Generation Licence”** means a licence to generate electricity granted pursuant to the Order;

**“Good Industry Practice”** means the exercise of that degree of skill, diligence, prudence and foresight which would be reasonably and ordinarily expected from a skilled and experienced operator engaged in the same type of undertaking under the same or similar circumstances;

**“Governor Droop”** has the meaning given to it in the Grid Code;

**“Grid Code”** means the code for Northern Ireland prepared by the Company pursuant to the TSO licence and approved by the Regulatory Authority, as from time to time revised, amended, supplemented or replaced with the approval of or at the instance of the Regulatory Authority;

**“Hot”** means a hot Warmth State;

**“Hot Cooling Boundary”** means the period of time, which must be less than that defined by the Warm Cooling Boundary, post Desynchronisation of a Providing Unit after which the Providing Unit’s Warmth State transfers from being Hot to being Warm;

**“Hydro-electric Providing Unit”** means a Providing Unit connected to a hydro turbine which is driven either by the controlled flow of water from a reservoir or by the flow of a river;

**“Hz”** means hertz;

**“Interconnector”** has the meaning given to it in the Grid Code;

**“Interconnector Frequency Droop”** has the meaning given to it in the EirGrid Grid Code;

**“Interface Agreement”** means a DSUSOIA or GASOA;

**“Jurisdiction”** means Northern Ireland;

**“Kinetic Energy”** means the energy that a Synchronous Providing Unit possesses due to its rotation;

**“kVA”** means kilovoltamperes;

**“kW”** means kilowatts;

**“Liability Cap”** for the purposes of Clause 11.1, means £100,000 per occurrence and an overall annual cap of £1,000,000 in any period of twelve consecutive calendar months during the term of this Agreement;

**“Metering Code”** means the subset of the Grid Code pertaining to meter reading, meter data processing and meter data communications;

**“Metering Equipment”** has the meaning given to it in the Metering Code;

**“Meters”** has the meaning set out in the Metering Code;

**“Minimum Generation”** has the meaning given to it in the Grid Code;

**“Monitoring Equipment”** means equipment used to assess the performance of a Providing Unit in providing a DS3 System Service and shall include but not be limited to meters, SCADA, State Estimators and high-speed recorders and their associated data storage and data communications equipment;

**“ms”** means milliseconds;

**“MW Output”** has the meaning given to it in the Grid Code;

**“MW Reduction”** means a reduction in Demand;

**“Nadir Frequency”** means the minimum Frequency during the POR Period;

**“Nominal Voltage”** means the reference value of the Voltage by which any section of the Power System is designated and identified by the Company;

**“Northern Ireland Fuel Security Code”** means the Northern Ireland Fuel Security Code designated by the Department of Enterprise, Trade and Industry as a condition of licences granted under Article 10 of the Order;

**“Notifying Party”** means, as the context requires, a Party who gives notification of a Force Majeure event to the other Party

**“Operating Parameters”** means the performance and operating specifications of each Providing Unit (certain of which are referred to in the Grid Code as Technical Parameters) for

which values are specified, as are more fully set out in Part 2 of Schedule 9 as may be amended from time to time in accordance with this Agreement;

**“Order”** means The Electricity (Northern Ireland) Order 1992 as may be amended;

**“Other Transmission System”** has the meaning given to it in the Grid Code;

**“Other TSO”** means **EirGrid plc**, a limited liability company incorporated under the laws of Ireland with registered number 338522 and having its registered office at The Oval, 160 Shelbourne Road, Dublin 4, or any of its legal successors or assigns in its role as the transmission system operator in Ireland;

**“Party”** means, as the context requires, the Company or the Service Provider; and the term **“Parties”** shall be construed accordingly;

**“Pass”** has the meaning given to it in the Protocol;

**“Payment Rate”** means the rate (expressed in £/MWh, £/Mvarh or £/MWs<sup>2</sup>h as appropriate ) for the calculation of payments for DS3 System Services as specified in the Charging Statement;

**“Performance Assessment”** has the meaning given to it in the Protocol;

**“Performance Scalar”** means a multiplicative factor which adjusts the payment for a given DS3 System Service to reflect a Providing Unit’s delivery of a given DS3 System Service as determined in accordance with the provisions of the Protocol;

**“Period”** means, in relation to POR, SOR, TOR1, TOR2 or RR the period in which POR, SOR, TOR1, TOR2 or RR is required to be provided as further defined in Sections 3.3, 4.3, 5.3 and 6.3 respectively of Schedule 2;

**“Potential Ramping Margin”** has the meaning given to it in Section 3 of Part D of Schedule 4;

**“Pound” or “£”** means £GBP the official currency of the United Kingdom of Great Britain and Northern Ireland;

**“Power System”** means the Transmission System or Distribution System;

**“Primary Operating Reserve” or “POR”** has the meaning given to it in the Grid Code;

**“Product Scalar”** means a multiplicative factor which adjusts the payment for a given DS3 System Service to reflect a Providing Unit providing a given DS3 System Service with an enhanced performance that is of value to the Power System or a reduced performance that is of less value to the Power System;

**“Protocol”** means the document entitled “DS3 System Services Protocol” as published on the Company’s website ([www.eirgridgroup.com](http://www.eirgridgroup.com));

**“Providing Unit”** means the unit described in Part 1 of Schedule 9;

**“Pumping Mode”** means the state of a Pumped Storage Providing Unit when pumping;

**“Pumped Storage Providing Unit”** means a Providing Unit within a pumped storage plant where a fluid is pumped to a storage container when in Pumping Mode and the fluid’s flow back is used to drive a turbine which powers a generator when in generating mode;

**“Ramping Margin”** has the meaning given to it in Section 1 of Part D of Schedule 4;

**“Ramping Margin 1 or RM1”** has the meaning given to it in Section 1 of Part D of Schedule 4;

**“Ramping Margin 3 or RM3”** has the meaning given to it in Section 1 of Part D of Schedule 4;

**“Ramping Margin 8 or RM8”** has the meaning given to it in Section 1 of Part D of Schedule 4;

**“Ramping Margin Limitation”** means an upper limit on the amount of energy that can be generated by a Hydro-electric Providing Unit, a Pumped Storage Providing Unit or an Energy Storage Providing Unit while providing Ramping Margin;

**“Reactive Current”** means in the phasor representation of alternating current, the component of the current perpendicular to the voltage;

**“Reactive Power” or “Mvar”** means the product of voltage and current and the sine of the phase angle between them measured in units of volt-amperes reactive and standard multiples thereof;

**“Reactive Power Control”** means the control of the production and absorption of Reactive Power by the Providing Unit as detailed in Section 2 of Schedule 3;

**“Reactive Power (Lagging)”** means the production of Reactive Power by a Providing Unit;

**“Reactive Power (Leading)”** means the absorption of Reactive Power by a Providing Unit;

**“Registered Capacity”** for Generation Units has the meaning defined in the Grid Code and for all other Providing Units means the maximum Capacity, expressed in whole MW, that a Providing Unit can deliver on a sustained basis, without accelerated loss of equipment life, at the Connection Point;

**“Regulatory Authority”** means the Northern Ireland Authority for Utility Regulation ;

**“Relevant DS3 System Services”** means the DS3 System Services to be provided by the Providing Unit as outlined in Part 3 of Schedule 9;

**“Relevant Legislation”** means Article 103 of the Insolvency (Northern Ireland) Order 1989 (and the Service Provider shall not be deemed to be unable to pay its debts if any demand for payment is being contested in good faith by the Service Provider with recourse to all appropriate measures and procedures). For the purpose of this definition, Article 103 of the Insolvency (Northern Ireland) Order 1989 shall have effect as if for “£750” there was substituted “£50,000” or such higher figure as the Company may from time to time notify in writing to the Service Provider;

**“Replacement Reserve” or “RR”** is the additional MW output (and/or reduction in Demand) required compared to the pre-incident output (or Demand) which is fully available and sustainable over the period from 20 minutes to 1 hour following an Event;

**“Reserve Characteristic”** means in relation to POR, SOR, TOR1, TOR2, RR and FFR, the diagrams set out in Part 2 of Schedule 9;

**“Reserve Droop”** means:

- the Governor Droop if the Providing Unit is a Generation Unit or a Controllable WFPS;
- Interconnector Frequency Droop if the Providing Unit is an Interconnector; or
- in the event that the Providing Unit is not a Generation Unit, a Controllable WFPS or an Interconnector, the percentage drop in the Frequency that would cause the Providing Unit to change its POR, SOR, TOR1 and/or FFR from zero to its Contracted POR, SOR, TOR1 and/or FFR and is set by the Company at a value between 0.2% and 2%;

**“Reserve Step Sizes”** means, in the event that the Providing Unit provides POR, SOR, TOR1 and/or FFR in discrete increases in MW Output or MW Reduction, the size of each discrete change in MW Output or MW Reduction and is set by the Company;

**“Reserve Step Triggers”** means, in the event that the Providing Unit provides, POR, SOR, TOR1 and/or FFR in discrete steps, the Frequency below which the Providing Unit shall provide the corresponding Reserve Step Size and is set by the Company;

**“Reserve Trigger”** means, in the event that the Providing Unit provides POR, SOR, TOR1 and/or FFR, the Frequency below which the Providing Unit shall provide POR, SOR, TOR1 and/or FFR as appropriate as set by the Company;



**“Reserve Trigger Capability”** means, in the event that the Providing Unit provides POR, SOR, TOR1 and/or FRR, the Frequency below which the Providing Unit is capable of providing POR, SOR, TOR1 and/or FRR as appropriate;

**“Reserve Trigger Scalar”** has the meaning set out in Sections 3.2, 4.2 and 5.2 of Schedule 2 and Section 3.2 of Schedule 4 Part B;

**“Rise Time”** means, in relation to Reactive Current response from a Providing Unit, the length of time from Voltage Dip inception for Reactive Current to reach 90% of its steady-state value;

**“RR (De-synchronised)”** means Replacement Reserve provided by the Providing Unit whilst it is De-synchronised and disconnected from the Power System;

**“RR (Synchronised)”** means Replacement Reserve provided by the Providing Unit whilst it is Synchronised or connected to the Power System;

**“SCADA”** or Supervisory Control and Data Acquisition means the metering data collection system used by the TSO for the storage, display and processing of metering data by the TSO (currently comprising a communication system and computer system) or such other data collection system as the TSO may reasonably specify to be used for such purpose with the prior agreement of the Regulatory Authority and after consultation;

**“Scaling Factor”** means, in relation to a DS3 System Service, the scaling factor used in the calculation of payments for that DS3 System Service, as described in Schedules 2, 3 and 4 of this Agreement;

**“Scheduled Outage”** has the meaning given to it in the Grid Code;

**“Secondary Operating Reserve”** or **“SOR”** has the meaning given to it in the Grid Code;

**“Service Provider's Installation”** means any structures, equipment, lines, appliances or devices used or to be used by any Service Provider and connected or to be connected directly or indirectly to the Transmission System or to the Distribution System;

**“Settling Time”** means in relation to Reactive Current response from a Providing Unit, the length of time from Voltage Dip inception for Reactive Current to settle within +/-10% of its steady-state value;

**“Single Electricity Market”** has the meaning given to it in the TSC and shall include any replacement wholesale all-island electricity market for Ireland and Northern Ireland;

**“SIR Factor” or “SIRF”** means the ratio of the Kinetic Energy (at a Frequency of 50Hz) to the Minimum Generation;

**“SSRP MinGen”** means the Time-Weighted Average of the minimum MW Output a Providing Unit can maintain on a continuous basis whilst providing Reactive Power Control during that Trading Period as notified by the Service Provider to the Company in accordance with a process specified by the Company;

**“State Estimator”** means a system for estimating the value of a parameter;

**“Static Response” means** a response provided by the Providing Unit in discrete step increases in MW Output or discrete steps in MW Reduction;

**“Steady-State Reactive Power” or “SSRP”** means Reactive Power Capability (Leading) and Reactive Power Capability (Lagging);

**“Steady-State Reactive Power Range”** has the meaning given to it in Section 3.1 of Schedule 3;

**“Supply Licence”** means a licence to supply electricity granted under the Order to Northern Ireland Electricity plc and transferred to NII Energy Limited on 1 November 2007 pursuant to a scheme made pursuant to the Electricity Regulations (Northern Ireland) 2007;

**“Synchronised”** (and like terms) has the meaning given to it in the Grid Code;

**“Synchronous Compensator”** means a rotating Synchronous Providing Unit which does not generate Active Power and is used for the provision of SSRP, SIR or DRR;

**“Synchronous Motor”** means a motor which is Synchronised to the Power System;

**“Synchronous Inertial Response” or “SIR”** has the meaning given to it in Section 1 of Part A of Schedule 4;

**“Synchronous Providing Unit”** means a Providing Unit which is connected and Synchronised to the Transmission System or Distribution System;

**“Synchronous Start-Up Time Cold”** has the meaning given to it in the Grid Code;

**“Synchronous Start-Up Time Hot”** has the meaning given to it in the Grid Code;

**“Synchronous Start-Up Time Warm”** has the meaning given to it in the Grid Code;

**“Technical Offer Data”** has the meaning given to it in the Trading and Settlement Code;

**“Technical Parameters”** has the meaning given to it in the Grid Code;

**“Technical Parameters Notice”** has the meaning given to it in the Grid Code;

**“Tender”** means collectively the information, documentation and submissions provided by the Service Provider to the Company as part of the DS3 System Services procurement process.

**“Tertiary Operating Reserve 1” or “TOR1”** has the meaning given to it in the Grid Code;

**“Tertiary Operating Reserve 2” or “TOR2”** has the meaning given to it in the Grid Code;

**“Time Weighted Average”** means, in relation to a parameter (P) which has more than one value for a Trading Period, the time weighted average value of that parameter (“Parameter Value (Trading Period)”), calculated by the application of the following formula:

$$\text{Parameter Value (Trading Period)} = \sum_{P_v=1,N} \{(P_{v1} \times T_1)/TPD\}$$

Where:

$\sum_{P_v=1,N}$  is the summation for the N values of P during the Trading Period and where  $P_v=1$  denotes the first value of P during the Trading Period;

$T_1$  is the period (expressed in minutes) for which the value of P was equal to  $P_{v1}$  during the Trading Period; and

TPD is the Trading Period Duration;

**“Trading and Settlement Code” or “TSC”** means the Single Electricity Market Trading and Settlement Code or any replacement thereof which sets out the rules for trading in electricity and settling energy imbalances and the responsibilities of parties to the code;

**“Transmission Owner” or “TO”** means Northern Ireland Electricity plc in its capacity as owner of the Transmission System and the Distribution System;

**“Trading Period”** has the meaning set out in the TSC;

**“Trading Period Duration”** means a period equal to the duration of a Trading Period under the Trading and Settlement Code (as at the date of this Agreement it is 0.5 hours);

**“Trading Period Payment”** means, in relation a DS3 System Service and in relation to a Trading Period, the payment to which a Service Provider is entitled for providing the Relevant DS3 System Service(s) from the Providing Unit in that Trading Period as calculated under the relevant Sections of Schedule 2, Schedule 3 and Schedule 4;

**“Transmission System”** has the meaning given to it in the Grid Code;

**“Transmission System Operator”** has the meaning given to it in the Grid Code;

**“TSO Licence”** means the licence to operate the Transmission System granted pursuant to Article 1-(1)(b) of the Order;

**“Use of System Agreement”** means the agreement between the Company and the Service Provider which provides the right for the use of the All-Island Transmission Network;

**“Value Added Tax”** or **“VAT”** means the value added tax or any tax on the supply of goods and or services which may hereafter replace or supplement value added tax;

**“Voltage”** means the voltage of the relevant section of the Power System;

**“Voltage Dip”** has the meaning given to it in the EirGrid Grid Code;

**“Warm”** means a warm Warmth State;

**“Warm Cooling Boundary”** means the period of time, which must be greater than that defined by the Hot Cooling Boundary, post Desynchronisation of a Providing Unit after which the Providing Unit’s Warmth State transfers from being Warm to Cold;

**“Warmth State”** means either cold, warm, or hot, dependent upon the period of time which has elapsed post Desynchronisation of a Providing Unit relative to its Hot Cooling Boundary and its Warm Cooling Boundary. Up until the Hot Cooling Boundary, the Providing Unit is hot. At and below the Hot Cooling Boundary and up until the Warm Cooling Boundary, the Providing Unit is warm. At and below the Warm Cooling Boundary, the Providing Unit is cold;

## **Schedule 2**

### **Operating Reserves**

#### **1 Operating Reserve Services**

The following DS3 System Services are covered by this Schedule 2:

Primary Operating Reserve, Secondary Operating Reserve, Tertiary Operating Reserve 1, Tertiary Operating Reserve 2 and Replacement Reserve.

#### **2 Minimum Technical Requirements**

The Service Provider must provide reserve, with the exception of Replacement Reserve, in accordance with the technical requirements of the Grid Code and the relevant Operating Parameters of the Providing Unit.

Replacement Reserve is the additional MW output (and/or reduction in Demand) required compared to the pre-incident output (or Demand) which is fully available and sustainable over the period from 20 minutes to 1 hour following an Event.

Unless stated otherwise, all quantities used in reserve calculations are referenced at the Connection Point and conversion factors will be used to convert values that are not so provided where necessary.

The Company shall specify the Reserve Trigger, Reserve Droop, Reserve Step Sizes and Reserve Step Triggers as appropriate for reserve. Enabling and disabling POR, SOR and TOR1 and alterations to the Reserve Trigger, Reserve Droop, Reserve Step Sizes, Reserve Step Triggers may be requested in real-time by the Company and shall be implemented by the Providing Unit within 60 seconds of such request.

#### **3 Primary Operating Reserve (POR) - Available Volume, Payment and Performance Assessment**

The basis for payments for Primary Operating Reserve (POR) is the calculation of the POR Available Volume of the Providing Unit over a Trading Period. The MW Output or MW Reduction and Availability of the Providing Unit for the Trading Period form the basis for calculating POR Available Volume. The POR Available Volume is the lesser of:

(i) the value of the reserve obtained from the POR Reserve Characteristic adjusted by the average Availability of the Providing Unit; and

(ii) the Declared POR of the Providing Unit for the Trading Period.

The POR Available Volume for the Trading Period is multiplied by the POR Payment Rate to determine the payment to be made to the Service Provider for the Trading Period as set out in Section 3.1 of this Schedule 2. The payment for the Trading Period shall be adjusted by the POR Scaling Factor.

### 3.1 POR Available Volume

The Available Volume of the Providing Unit to provide POR in a Trading Period will be determined from the lesser of:

- (a) the value of the reserve obtained from the POR Reserve Characteristic for the Time Weighted Average MW Output or MW Reduction, where the POR Reserve Characteristic has been adjusted to reflect the Time Weighted Average Availability of the Providing Unit (expressed in MW) in the manner described in the example set out in Part 2 of Schedule 9. The relevant value on the POR Reserve Characteristic will be determined from the average MW Output or the average MW Reduction (expressed in MW) over the Trading Period; and
- (b) the Declared POR of the Providing Unit.

### 3.2 POR Payments

The Service Provider will receive a payment for each MW of POR Available Volume it provides from the Providing Unit in each Trading Period determined in accordance with the following provisions of this Section 3.2. Unless stated otherwise, all parameters used in the calculation of such payments are the Time Weighted Average for a Trading Period.

The payment to the Service Provider for POR Available Volume of the Providing Unit in a Trading Period is determined as:

$$\text{POR Trading Period Payment} = \text{POR Available Volume} \times \text{POR Payment Rate} \times \text{POR Scaling Factor} \times \text{Trading Period Duration}$$

Where:

- a) POR Available Volume (expressed in MW) is the Available Volume of the Providing Unit in respect of POR and is calculated in accordance with Section 3.1;

- b) POR Payment Rate is the Payment Rate (expressed in £/MWh) applicable to POR;
- c) POR Scaling Factor = POR Performance Scalar x POR Product Scalar; and
- d) the Trading Period Duration (expressed in hours).

For the purposes of Section 3.2(c) above, the POR Product Scalar is an amount equal to:

$$(\text{Reserve Type Scalar} + \text{Reserve Trigger Scalar}) \div 2$$

Where:

(i) Reserve Type Scalar is an amount equal to:

- 1 in the event that Dynamic Response is provided by the Providing Unit and Reserve Trigger Capability is > 49.3 Hz; or
- 0.5 in the event that Static Response is provided by the Providing Unit and Reserve Trigger Capability is > 49.3 Hz; or
- zero in the event that Reserve Trigger Capability  $\leq$  49.3 Hz; and

(ii) Reserve Trigger Scalar is an amount equal to:

- $1 - ((50 - \text{absolute value of Reserve Trigger Capability}) \times (5 \div 7))$ , if the value of the Reserve Trigger Capability is > 49.3 Hz; or
- zero if the value of the Reserve Trigger Capability is  $\leq$  49.3 Hz.

### 3.3 Assessment of POR Performance

In order to assess the quality of delivery of POR when required by the Power System, the Providing Unit will be monitored and assessed during an Event by the Company. The assessment of POR performance is carried out at the time of the Nadir Frequency during the POR time range of T+5 seconds to T+15 seconds (the “POR Period”). The value of the POR Performance Scalar will be determined based on whether the result of the Performance Assessment is a Pass or Fail.

#### **4 Secondary Operating Reserve (SOR) - Available Volume, Payment and Performance Assessment**

The basis for payments for Secondary Operating Reserve (SOR) is the calculation of the SOR Available Volume of the Providing Unit over a Trading Period. The average MW Output or average MW Reduction and Availability of the Providing Unit for the Trading Period form the basis for calculating SOR Available Volume. The SOR Available Volume is the lesser of:

- (i) the value of the reserve obtained from the SOR Reserve Characteristic adjusted by the average Availability of the Providing Unit; and
- (ii) the Declared SOR of the Providing Unit for the Trading Period.

The SOR Available Volume of the Providing Unit (as calculated in accordance with Section 4.1) for the Trading Period is multiplied by the SOR Payment Rate to determine the payment to be made to the Service Provider for the Trading Period. The payment for the Trading Period shall be adjusted by the SOR Scaling Factor.

##### **4.1 SOR Available Volume**

The Available Volume of the Providing Unit to provide SOR in a Trading Period will be determined from the lesser of:

- (a) the value of the reserve obtained from the SOR Reserve Characteristic for the Time Weighted Average MW Output or MW Reduction, where the SOR Reserve Characteristic has been adjusted to reflect the Time Weighted Average Availability of the Providing Unit (expressed in MW) in the manner described in the example set out in Schedule 9 Part 2. The relevant value on the SOR Reserve Characteristic will be determined from the average MW Output or the average MW Reduction (expressed in MW) over the Trading Period; and
- (b) the Declared SOR of the Providing Unit.

##### **4.2 SOR Payments**

The Service Provider will receive a payment for each MW of SOR Available Volume it provides from the Providing Unit in each Trading Period determined in accordance with the following provisions of this Section 4.2. Unless stated otherwise, all parameters used in the calculation of such payments are the Time Weighted Average for a Trading Period.



The payment to the Service Provider for SOR Available Volume of the Providing Unit in a Trading Period is determined as:

$$\text{SOR Trading Period Payment} = \text{SOR Available Volume} \times \text{SOR Payment Rate} \times \text{SOR Scaling Factor} \times \text{Trading Period Duration}$$

Where:

- a) SOR Available Volume (expressed in MW) is the Available Volume of the Providing Unit in respect of SOR and is calculated in accordance with Section 4.1;
- b) SOR Payment Rate is the Payment Rate (expressed in £/MWh) applicable to SOR;
- c) SOR Scaling Factor = SOR Performance Scalar x SOR Product Scalar; and
- d) the Trading Period Duration (expressed in hours).

For the purposes of Section 4.2(c) above, the SOR Product Scalar is an amount equal to:

$$(\text{Reserve Type Scalar} + \text{Reserve Trigger Scalar}) \div 2$$

Where:

(i) Reserve Type Scalar is an amount equal to:

- 1 in the event that Dynamic Response is provided by the Providing Unit and Reserve Trigger Capability is  $> 49.3$  Hz;  
or
- 0.5 in the event that Static Response is provided by the Providing Unit and Reserve Trigger Capability is  $> 49.3$  Hz;  
or
- zero in the event that Reserve Trigger Capability  $\leq 49.3$  Hz;  
and

(ii) Reserve Trigger Scalar is an amount equal to:

- $1 - ((50 - \text{absolute value of Reserve Trigger Capability}) \times (5 \div 7))$ , if the value of the Reserve Trigger Capability is  $> 49.3$  Hz;  
or
- zero if the value of the Reserve Trigger Capability is  $\leq 49.3$  Hz.

#### 4.3 Assessment of SOR Performance

In order to assess the quality of delivery of SOR when required by the Power System, the Providing Unit will be monitored and assessed during an Event by the Company. The assessment of SOR performance is carried out during the entire SOR time range of T+15 seconds to T+90 seconds (the "SOR Period"). The value of the SOR Performance Scalar will be determined based on whether the result of the Performance Assessment is a Pass or Fail.

### 5 Tertiary 1 Operating Reserve (TOR1) - Available Volume, Payment and Performance Assessment

The basis for payments for Tertiary Operating Reserve 1 (TOR1) is the calculation of the TOR1 Available Volume of the Providing Unit over a Trading Period. The average MW Output or average MW Reduction and Availability of the Providing Unit for the Trading Period form the basis for calculating TOR1 Available Volume. The TOR1 Available Volume is the lesser of:

- (i) the value of the reserve obtained from the TOR1 Reserve Characteristic adjusted by the average Availability of the Providing Unit and
- (ii) the Declared TOR1 of the Providing Unit for the Trading Period.

The TOR1 Available Volume (as calculated in accordance with Section 5.1) for the Trading Period is multiplied by the TOR1 Payment Rate to determine the payment to be made to the Service Provider for the Trading Period. The payment for the Trading Period shall be adjusted by the TOR1 Scaling Factor.

## 5.1 TOR1 Available Volume

The Available Volume of the Providing Unit to provide TOR1 in a Trading Period will be determined from the lesser of:

- (a) the value of the reserve obtained from the TOR1 Reserve Characteristic for the Time Weighted Average MW Output or MW Reduction, where the TOR1 Reserve Characteristic has been adjusted to reflect the Time Weighted Average Availability of the Providing Unit (expressed in MW) in the manner described in the example set out in Part 2 of Schedule 9. The relevant value on the TOR1 Reserve Characteristic will be determined from the average MW Output or the average MW Reduction (expressed in MW) over the Trading Period; and
- (b) the Declared TOR1 of the Providing Unit.

## 5.2 TOR1 Payments

The Service Provider will receive a payment for each MW of TOR1 Available Volume it provides from the Providing Unit in each Trading Period determined in accordance with the following provisions of this Section 5.2. Unless stated otherwise, all parameters used in the calculation of such payments are the Time Weighted Average for a Trading Period.

The payment to the Service Provider for TOR1 Available Volume of the Providing Unit in a Trading Period is determined as:

$$\text{TOR1 Trading Period Payment} = \text{TOR1 Available Volume} \times \text{TOR1 Payment Rate} \times \text{TOR1 Scaling Factor} \times \text{Trading Period Duration}$$

Where:

- a) TOR1 Available Volume (expressed in MW) is the Available Volume of the Providing Unit in respect of TOR1 and is calculated in accordance with Section 5.1;
- b) TOR1 Payment Rate is the Payment Rate for TOR1 (expressed in £/MWh); and
- c)  $\text{TOR1 Scaling Factor} = \text{TOR1 Performance Scalar} \times \text{TOR1 Product Scalar}$ ;
- d) the Trading Period Duration (expressed in hours).

For the purposes of Section 5.2(c) above, the TOR1 Product Scalar is an amount equal to:

$$(\text{Reserve Type Scalar} + \text{Reserve Trigger Scalar}) \div 2$$

(i) Reserve Type Scalar is an amount equal to:

- 1 in the event that Dynamic Response is provided by the Providing Unit and Reserve Trigger Capability is  $> 49.3$  Hz;  
or
- 0.5 in the event that Static Response is provided by the Providing Unit and Reserve Trigger Capability is  $> 49.3$  Hz;  
or
- zero in the event that Reserve Trigger Capability  $\leq 49.3$  Hz;  
and

(ii) Reserve Trigger Scalar is an amount equal to:

- $1 - ((50 - \text{absolute value of Reserve Trigger Capability}) \times (5 \div 7))$ , if the value of the Reserve Trigger Capability is  $> 49.3$  Hz;  
or
- zero if the value of the Reserve Trigger Capability is  $\leq 49.3$  Hz.

### 5.3 Assessment of TOR1 Performance

In order to assess the quality of delivery of TOR1 when required by the Power System, the Providing Unit will be monitored and assessed during an Event by the Company. The assessment of TOR1 performance is carried out during the entire TOR1 time range of T+90 seconds to T+300 seconds (the "TOR1 Period"). The value of the TOR1 Performance Scalar will be determined based on whether the result of the Performance Assessment is a Pass or Fail.

## **6 Tertiary 2 Operating Reserve (TOR2) - Available Volume, Payment and Performance Assessment**

The basis for payments for Tertiary Operating Reserve 2 (TOR2) is the calculation of the TOR2 Available Volume of the Providing Unit over a Trading Period. The average MW Output or average MW Reduction and Availability of the Providing Unit for the Trading Period form the basis for calculating TOR2 Available Volume. The TOR2 Available Volume is the lesser of;

(i) the value of the reserve obtained from the TOR2 Reserve Characteristic adjusted by the average Availability of the Providing Unit; and

(ii) the Declared TOR2 of the Providing Unit for the Trading Period.

The TOR2 Available Volume (as calculated in accordance with Section 6.1) for the Trading Period is multiplied by the TOR2 Payment Rate to determine the payment to be made to the Service Provider for the Trading Period. The payment for the Trading Period shall be adjusted by the TOR2 Scaling Factor.

### **6.1 TOR2 Available Volume**

The Available Volume of the Providing Unit to provide TOR2 in a Trading Period will be determined from the lesser of:

(a) the value of the reserve obtained from the TOR2 Reserve Characteristic for the Time Weighted Average MW Output or MW Reduction, where the TOR2 Reserve Characteristic has been adjusted to reflect the Time Weighted Average Availability of the Providing Unit (expressed in MW) in the manner described in the example set out in Schedule 9 Part 2. The relevant value on the TOR2 Reserve Characteristic will be determined from the average MW Output or the average MW Reduction (expressed in MW) over the Trading Period; and

(b) the Declared TOR2 of the Providing Unit.

### **6.2 TOR2 Payments**

The Service Provider will receive a payment for each MW of TOR2 Available Volume it provides from the Providing Unit in each Trading Period determined in accordance with the following provisions of this Section 6.2. Unless stated otherwise, all parameters used in the calculation of such payments are the Time Weighted Average for a Trading Period.

The payment to the Service Provider for TOR2 Available Volume of the Providing Unit in a Trading Period is determined as:

$$\text{TOR2 Trading Period Payment} = \text{TOR2 Available Volume} \times \text{TOR2 Payment Rate} \times \text{TOR2 Scaling Factor} \times \text{Trading Period Duration}$$

Where:

- a) TOR2 Available Volume (expressed in MW) is the Available Volume of the Providing Unit in respect of TOR2 and is calculated in accordance with Section 6.1;
- b) TOR2 Payment Rate is the Payment Rate for TOR2 (expressed in £/MWh) applicable to TOR2;
- c) TOR2 Scaling Factor = TOR2 Performance Scalar; and
- d) the Trading Period Duration (expressed in hours).

### 6.3 Assessment of TOR2 Performance

In order to assess the quality of delivery of TOR2 when required by the Power System, the Providing Unit will be monitored and assessed during an Event by the Company. The assessment of TOR2 performance is carried out for the entire TOR2 time range of T+5 minutes to T+20 minutes (the “TOR2 Period”). The value of the TOR2 Performance Scalar will be determined based on whether the result of the Performance Assessment is a Pass or Fail.

## 7. Replacement Reserve - Available Volume, Payment and Performance Assessment

The basis for payments for Replacement Reserve (RR) is the calculation of the RR Available Volume of the Providing Unit over a Trading Period. The average MW Output or average MW Reduction, average Availability and the RR Reserve Characteristic of the Providing Unit for the Trading Period form the basis for calculating RR Available Volume. The RR Available Volume is the lesser of:

- (i) the value of the reserve obtained from the RR Reserve Characteristic adjusted by the average Availability of the Providing Unit; and
- (ii) the Declared RR of the Providing Unit for the Trading Period.

The RR Available Volume (as calculated in accordance with Section 7.1) for the Trading Period is multiplied by the RR Synchronised Payment Rate to determine the payment to be made to the Service Provider for the Trading Period when Synchronised to the Power System in the case of a Synchronous Providing Unit, or when connected to the Power System in the case of a non-Synchronous Providing Unit. The payment for the Trading Period shall be adjusted by the RR Scaling Factor.

The RR Available Volume (as calculated in accordance with Section 7.1) for the Trading Period is multiplied by the RR De-Synchronised Payment Rate to determine the payment to be made to the Service Provider for the Trading Period when not Synchronised to the Power System in the case of a Synchronous Providing Unit, or when disconnected from the Power System in the case of a non-Synchronous Providing Unit. The payment for the Trading Period shall be adjusted by the RR Scaling Factor.

#### 7.1 RR Available Volume

The Available Volume of the Providing Unit to provide RR in a Trading Period in which it is Synchronised or connected to the Power System will be determined from the lesser of:

- (a) the value of the reserve obtained from the RR Reserve Characteristic for the Time Weighted Average MW Output or MW Reduction, where the RR Reserve Characteristic has been adjusted to reflect the Time Weighted Average Availability of the Providing Unit (expressed in MW) in the manner described in the example set out in Part 2 of Schedule 9. The relevant value on the RR Reserve Characteristic will be determined from the average MW Output or the average MW Reduction (expressed in MW) over the Trading Period; and
- (b) the Declared RR of the Providing Unit.

#### 7.2 RR Payments

The Service Provider will receive a payment for each MW of RR Available Volume it provides from the Providing Unit in each Trading Period determined in accordance with the following provisions of this Section 7.2. Unless stated otherwise, all parameters used in the calculation of such payments are the Time Weighted Average for a Trading Period.

7.2.1 The payment to the Service Provider for RR Available Volume of the Providing Unit in a Trading Period in which it is Synchronised or connected to the Power System is determined as:

RR (Synchronised) Trading Period Payment = RR Available Volume × RR  
(Synchronised) Payment Rate × RR Scaling Factor × duration of Trading Period  
where the Providing Unit is Synchronised or connected to the Power System

Where:

- a) RR Available Volume (expressed in MW) is calculated in accordance with Section 7.1;
- b) RR (Synchronised) Payment Rate is the Payment Rate for RR (Synchronised) (expressed in £/MWh);
- c) RR Scaling Factor = RR (Synchronised) Performance Scalar; and
- d) the Trading Period Duration (expressed in hours).

7.2.2 The payment to the Service Provider for RR Available Volume of the Providing Unit in a Trading Period in which it is neither Synchronised nor connected to the Power System is determined as:

RR (De-Synchronised) Trading Period Payment = RR Available Volume × RR  
(De-Synchronised) Payment Rate × RR Scaling Factor × duration of Trading  
Period where the Providing Unit is neither Synchronised nor connected to the  
Power System

Where:

- a) RR Available Volume (expressed in MW) is calculated in accordance with paragraph 7.1;
- b) RR (De-Synchronised) Payment Rate is the Payment Rate for RR (De-Synchronised) (expressed in £/MWh); and
- c) RR Scaling Factor = RR (De-Synchronised) Performance Scalar; and
- d) the Trading Period Duration (expressed in hours).



### 7.3 Assessment of RR Performance

In order to assess the quality of delivery of RR when required by the Power System, the Providing Unit will be monitored and assessed during an Event by the Company. The assessment of RR performance is carried out over the RR time range of T+20 minutes to T+1 hour ("RR Time Period"). The value of the RR(Synchronised) Performance Scalar and/or RR(De-Synchronised) Performance Scalar will be determined based on whether the result of the Performance Assessment is a Pass or Fail.

### **Schedule 3**

#### **Steady-State Reactive Power (SSRP)**

##### **1. Provision of Service**

To the extent that Steady-State Reactive Power is a Relevant DS3 System Service, the Company shall have the right (but shall not be under any obligation) at any time to instruct the Service Provider, by the issue of a Dispatch Instruction, to provide Reactive Power (Leading) or Reactive Power (Lagging) from the Providing Unit.

##### **2. Minimum Technical Requirements**

The Service Provider must provide Steady-State Reactive Power in accordance with the technical requirements of the Grid Code where applicable and the relevant Operating Parameters for the Providing Unit. Where not specified in the Grid Code, the Providing Unit shall provide Steady-State Reactive Power in accordance with the standards set out in the Grid Code for Dispatchable WFPS.

All quantities used in Steady-State Reactive Power calculations are referenced at the Generation Unit terminals for conventional Generation Units and otherwise are referenced at the Connection Point unless stated otherwise in the Grid Code.

##### **3. Steady-State Reactive Power – Available Volume, Payment and Performance Assessment**

The basis for payments for Steady-State Reactive Power (SSRP) is the calculation of the SSRP Available Volume of the Providing Unit over a Trading Period.

The Declared Reactive Power (Leading), Declared Reactive Power (Lagging), Registered Capacity and SSRP MinGen of the Providing Unit form the basis for calculating SSRP Available Volume when the Providing Unit is Synchronised or connected to the Power System and capable of providing Reactive Power Control. The payment for the Trading Period shall be adjusted by the SSRP Scaling Factor.

### 3.1 Reactive Power Available Volume

The Available Volume of the Providing Unit to provide SSRP in a Trading Period is equal to:

Steady-State Reactive Power Range x RP Factor x the percentage of the Trading Period during which the Providing Unit is Synchronised or connected to the Power System and capable of providing Reactive Power Control.

Where:

- a) Steady-State Reactive Power Range is equal to the sum of the Declared Reactive Power (Leading) and Declared Reactive Power (Lagging) for any Trading Period;
- b) RP Factor shall be calculated as follows:

- (i) where the Providing Unit is operating as a Generation Unit:

$$\text{RP Factor} = (\text{Registered Capacity} - \text{SSRP MinGen}) / \text{Registered Capacity}$$

where SSRP MinGen is equal to the Time-Weighted Average of the Minimum MW Output a Providing Unit can maintain on a continuous basis whilst providing Reactive Power Control during that Trading Period as notified by the Service Provider to the Company in accordance with a process specified by the Company

- (ii) where the Providing Unit is not operating as a Generation Unit:

$$\text{RP Factor} = 1;$$

### 3.2 Steady-State Reactive Power Payment

The Service Provider will receive a payment for each Mvar of SSRP Available Volume it provides from the Providing Unit in each Trading Period where Synchronised or connected to the Power System determined in accordance with the following provisions of this Section 3.2. Unless stated otherwise, all parameters used in the calculation of such payments are the Time-Weighted Average for a Trading Period.

The payment to the Service Provider for SSRP Available Volume of the Providing Unit in a Trading Period is determined as:

$$\text{SSRP Trading Period Payment} = \text{SSRP Available Volume} \times \text{SSRP Payment Rate} \times \text{SSRP Scaling Factor} \times \text{Trading Period Duration}$$

Where:

- a) SSRP Available Volume (expressed in Mvar) is the Available Volume of the Service Provider in respect to SSRP and is calculated in accordance with Section 3.1 of this Schedule 3;
- b) SSRP Payment Rate is the Payment Rate (expressed in £/Mvarh) applicable to SSRP;
- c)  $\text{SSRP Scaling Factor} = \text{SSRP Performance Scalar} \times \text{SSRP Product Scalar}$ ; and
- d) the Trading Period Duration (expressed in hours).

For the purposes of Section 3.2(c) of this Schedule 3, the SSRP Product Scalar, calculated on a Time-Weighted Average basis, is an amount equal to:

2 where the Providing Unit has declared that it is capable of providing Automatic Voltage Regulation during the Trading Period and 1 where the Providing Unit has declared that it is not capable of providing Automatic Voltage Regulation during the Trading Period, as notified by the Service Provider to the Company in accordance with a process specified by the Company;

### 3.3 Assessment of SSRP Performance

In order to assess the quality of delivery of SSRP, the Providing Unit will be monitored and assessed by the Company. The value of the SSRP Performance Scalar will be determined based on whether the result of the Performance Assessment is a Pass or Fail.

**Schedule 4**  
**Other Services**  
**Part A Synchronous Inertial Response (SIR)**

**1 Definition of Service**

Synchronous Inertial Response (SIR) is the Kinetic Energy (at a Frequency of 50Hz) of a Centrally Dispatched Synchronous Providing Unit multiplied by the SIR Factor (SIRF).

The SIRF must have a minimum value of 15 seconds and a maximum value of 45 seconds for a Synchronous Providing Unit operating as a Generation Unit and will be based on the capability of the Providing Unit as determined through the Compliance Requirements.

The SIRF for a Synchronous Providing Unit operating as a Synchronous Compensator that can provide Reactive Power Control or as a Synchronous Motor that can provide Reactive Power Control is set at 45 seconds.

**2 Minimum Technical Requirements**

The Service Provider must provide Synchronous Inertial Response in accordance with the technical requirements of this Schedule 4 Part A and the relevant Operating Parameters for each Providing Unit.

**3 Synchronous Inertial Response - Available Volume and Payment**

The basis for payments for Synchronous Inertial Response (SIR) is the calculation of the SIR Available Volume of the Providing Unit over a Trading Period. The Kinetic Energy and Minimum Generation of the Providing Unit form the basis for calculating SIR Available Volume when Synchronised to the Power System.

### 3.1 SIR Available Volume

The Available Volume of the Providing Unit to provide SIR in a Trading Period = Kinetic Energy x (SIRF – 15) x the percentage of the Trading Period where the Providing Unit is Synchronised to the Power System

Where:

- a) Kinetic Energy is the Contracted Kinetic Energy of the Providing Unit for that Trading Period; and
- b) SIRF is either:
  - (i) the ratio of Kinetic Energy to the Declared MinGen for that Trading Period (in the case of a Synchronised Providing Unit operating as a Generation Unit); or
  - (ii) 45 seconds (in the case of Synchronised Providing Unit operating as a Synchronous Compensator or Synchronous Motor);

### 3.2 SIR Payments

The Service Provider will receive a payment for each  $\text{MWs}^2$  of SIR Available Volume for the Providing Unit in each Trading Period where Synchronised, determined in accordance with the following provisions of this Section 3.2. Unless stated otherwise, all parameters used in the calculation of such payments are the Time Weighted Average for a Trading Period.

The payment to the Service Provider for SIR Available Volume of the Providing Unit in a Trading Period is determined as:

$$\text{SIR Trading Period Payment} = \text{SIR Available Volume} \times \text{SIR Payment Rate} \times \text{Trading Period Duration}$$

Where:

- a) SIR Available Volume (expressed in  $\text{MWs}^2$ ) is the Available Volume of the Providing Unit in respect of SIR and is calculated in accordance with Section 3.1 of this Part A of Schedule 4;
- b) SIR Payment Rate is the Payment Rate for SIR (expressed in  $\text{£/MWs}^2\text{h}$ ) applicable to SIR; and
- c) the Trading Period Duration (expressed in hours)

## **Part B Fast Frequency Response (FFR)**

### **1 Definition of Service**

Fast Frequency Response (FFR) is the additional MW Output or MW Reduction required compared to the pre-incident MW Output or MW Reduction, which is fully available from a Providing Unit within 2 seconds after the start of an Event and sustainable up to 10 seconds after the start of the Event. The extra energy provided in the 2 to 10 second timeframe must be greater than any loss of energy in the 10 to 20 second timeframe due to a reduction in MW Output or MW Reduction below the pre-incident MW Output or MW Reduction.

### **2 Minimum Technical Requirements**

The Service Provider must provide Fast Frequency Response in accordance with the technical requirements of Part B of this Schedule 4 and the relevant Operating Parameters for the Providing Unit.

The Company shall specify the Reserve Trigger, Reserve Droop, Reserve Step Sizes and Reserve Step Triggers as appropriate. Enabling and disabling FFR and alterations to the Reserve Trigger, Reserve Droop, Reserve Step Sizes and Reserve Step Triggers may be requested in real-time by the Company and shall be implemented by the Providing Unit within 60 seconds.

Unless stated otherwise, all quantities used in FFR calculations are referenced at the Connection Point and conversion factors will be used to convert values that are not so provided where necessary.

### **3 Fast Frequency Response - Available Volume, Payment and Performance Assessment**

The basis for payments for Fast Frequency Response (FFR) is the calculation of the FFR Available Volume of the Providing Unit over a Trading Period. The MW Output or MW Reduction and Availability of the Providing Unit for the Trading Period form the basis for calculating FFR Available Volume. The payment for the Trading Period shall be adjusted by the FFR Scaling Factor of the Providing Unit.

### 3.1 FFR Available Volume

The Available Volume of the Providing Unit to provide FFR in a Trading Period will be determined from the lesser of:

- a) the value of the reserve obtained from the FFR Reserve Characteristic for the Time Weighted Average MW Output or MW Reduction, where the FFR Reserve Characteristic has been adjusted to reflect the Time Weighted Average Availability of the Providing Unit (expressed in MW) in the manner described in the example set out in Schedule 9 Part 2. The relevant value on the FFR Reserve Characteristic will be determined from the average MW Output or the average MW Reduction (expressed in MW) over the Trading Period; and
- b) the Declared FFR of the Providing Unit

### 3.2 FFR Payments

The Service Provider will receive a payment for each MW of FFR Available Volume it provides from the Providing Unit in each Trading Period determined in accordance with the following provisions of this Section 3.2 of Part B of Schedule 4. Unless stated otherwise, all parameters used in the calculation of such payments are the Time Weighted Average for a Trading Period.

The payment to the Service Provider for FFR Available Volume of the Providing Unit in a Trading Period is determined as:

FFR Trading Period Payment = FFR Available Volume x FFR Payment Rate x FFR Scaling Factor x Trading Period Duration

Where:

- a) FFR Available Volume (expressed in MW) is the Available Volume of the Providing Unit in respect of FFR and is calculated in accordance with Section 3.1 of this Part B of Schedule 4;
- b) FFR Payment Rate is the Payment Rate (expressed in £/MWh) applicable to FFR;
- c) FFR Scaling Factor = FFR Performance Scalar x FFR Product Scalar; and
- d) the Trading Period Duration (expressed in hours).



For the purposes of Section 3.2(c) of this Part B of Schedule 4, the FFR Product Scalar is an amount equal to:

$$(\text{Reserve Type Scalar} + \text{Reserve Trigger Scalar}) \div 2$$

Where:

(i) Reserve Type Scalar is an amount equal to:

- 1 in the event that Dynamic Response is provided by the Providing Unit and Reserve Trigger Capability is  $> 49.3$  Hz;  
or
- 0.5 in the event that Static Response is provided by the Providing Unit and Reserve Trigger Capability is  $> 49.3$  Hz;  
or
- zero in the event that Reserve Trigger Capability  $\leq 49.3$  Hz;  
and

(ii) Reserve Trigger Scalar is an amount equal to:

- $1 - ((50 - \text{absolute value of Reserve Trigger Capability}) \times (5 \div 7))$ , if the value of the Reserve Trigger Capability is  $> 49.3$  Hz;  
or
- zero if the value of the Reserve Trigger Capability is  $\leq 49.3$  Hz.

### 3.3 Assessment of FFR Performance

In order to assess the quality of delivery of FFR when required by the Power System, the Providing Unit will be monitored and assessed during an Event by the Company. The value of the FFR Performance Scalar will be determined based on whether the result of the Performance Assessment is a Pass or Fail.

## **Part C Fast Post-Fault Active Power Recovery (FPFAPR)**

### **1 Definition of Service**

Fast Post-Fault Active Power Recovery is the recovery of a Providing Unit's MW Output to at least 90% of its pre-Fault Disturbance MW Output within 250ms of the voltage at the Providing Unit's Connection Point recovering to at least 90% of its pre-Fault Disturbance value for any Fault Disturbance that is cleared within 900ms. The Providing Unit must be exporting Active Power to the Power System and must remain connected to the Power System for at least 15 minutes following the Fault Disturbance.

### **2 Minimum Technical Requirements**

The Service Provider must provide Fast Post-Fault Active Power Recovery in accordance with the technical requirements of this Schedule 4 Part C and the relevant Operating Parameters for the Providing Unit.

Unless stated otherwise, all quantities used in FPFAPR calculations are referenced at the Connection Point and conversion factors will be used to convert values that are not so provided where necessary.

### **3 Fast Post-Fault Active Power Recovery - Available Volume, Payment and Performance Assessment**

The basis for payments for Fast Post-Fault Active Power Recovery (FPFAPR) is the calculation of the FPFAPR Available Volume of the Providing Unit over a Trading Period. The FPFAPR Available Volume is the average MW Output exported by the Providing Unit for the Trading Period when Synchronised or connected to the Power System and capable of providing the service. The FPFAPR Available Volume of the Providing Unit (as calculated in accordance with Section 3.1 of this Part C of Schedule 4) for the Trading Period is multiplied by the FPFAPR Payment Rate to determine the payment to be made to the Service Provider for the Trading Period. The payment for the Trading Period is adjusted by the FPFAPR Scaling Factor.

### 3.1 FPFAPR Available Volume

The Available Volume of the Providing Unit to provide FPFAPR in a Trading Period is the product of the average MW Output exported by the Providing Unit for the Trading Period and the average Declared Availability to provide FPFAPR for the Trading Period.

### 3.2 FPFAPR Payments

The Service Provider will receive a payment for each MW of FPFAPR Available Volume it provides from the Providing Unit in each Trading Period determined in accordance with the following provisions of this Section 3.2 of Part C of Schedule 4. Unless stated otherwise, all parameters used in the calculation of such payments are the Time Weighted Average for a Trading Period.

The payment to the Service Provider for FPFAPR Available Volume of the Providing Unit in a Trading Period is determined as:

FPFAPR Trading Period Payment = FPFAPR Available Volume × FPFAPR Payment Rate × FPFAPR Scaling Factor × Trading Period Duration

Where:

- a) FPFAPR Available Volume (expressed in MW) is the Available Volume of the Providing Unit in respect of FPFAPR and is calculated in accordance with Section 3.1 of Part C of Schedule 4;
- b) FPFAPR Payment Rate is the Payment Rate for FPFAPR (expressed in £/MWh) applicable to FPFAPR;
- c) FPFAPR Scaling Factor = FPFAPR Performance Scalar; and
- d) the Trading Period Duration (expressed in hours).

### 3.3 Assessment of FPFAPR Performance

In order to assess the quality of delivery of FPFAPR when required by the Power System, the Providing Unit will be monitored and assessed during a Fault Disturbance by the Company. The value of the FPFAPR Performance Scalar will be determined based on whether the result of the Performance Assessment is a Pass or Fail.

## **Part D Ramping Margin (RM)**

### **1 Definition of Service**

Ramping Margin means the following services: Ramping Margin 1, Ramping Margin 3 and Ramping Margin 8. Each of these services is covered in turn below:

#### **Ramping Margin 1**

Ramping Margin 1 is the increased MW Output and/or MW Reduction that a Providing Unit can provide to the Company within one hour of the Company issuing a Dispatch Instruction to a Service Provider and that the Providing Unit can maintain for a further two hours after the one hour period has elapsed. It is limited by the lowest Availability in that three hour period.

#### **Ramping Margin 3**

Ramping Margin 3 is the increased MW Output and/or MW Reduction that a Providing Unit can provide to the Company within three hours of the Company issuing a Dispatch Instruction to a Service Provider and that the Providing Unit can maintain for a further five hours after the three hour period has elapsed. It is limited by the lowest Availability in that eight hour period.

#### **Ramping Margin 8**

Ramping Margin 8 is the increased MW Output and/or MW Reduction that a Providing Unit can provide to the Company within eight hours of the Company issuing a Dispatch Instruction to a Service Provider and that the Providing Unit can maintain for a further eight hours after the eight hour period has elapsed. It is limited by the lowest Availability in that sixteen hour period.

## **2 Minimum Technical Requirements**

The Service Provider must provide Ramping Margin in accordance with the technical requirements of this Part D of Schedule 4 and the relevant Operating Parameters for each Providing Unit.

Unless stated otherwise, all quantities used in Ramping Margin calculations are referenced at the Connection Point and conversion factors will be used to convert values that are not so provided where necessary.

## **3 Ramping Margin 1 (RM1) – Available Volume, Payment and Performance Assessment**

The basis for payments for Ramping Margin 1 (RM1) is the calculation of the RM1 Available Volume of the Providing Unit over a Trading Period. The Technical Offer Data, Minimum Generation and average MW Output or average MW Reduction of the Providing Unit for that Trading Period and the minimum of the Availability of the Providing Unit from the start of that Trading Period until three hours later form the basis for calculating RM1 Available Volume. The payment for the Trading Period shall be adjusted by the RM1 Scaling Factor.

### **3.1 RM1 Available Volume**

The Available Volume of the Providing Unit to provide RM1 in a Trading Period is equal to the lesser of:

- a) the Potential Ramping Margin of the Providing Unit for one hour;
- b) the difference between the minimum of the Availability from the start of the Trading Period until three hours later and the average MW Output or average MW Reduction; and
- c) the lowest value of Declared RM1 for the Trading Period.

Where:

Potential Ramping Margin means the increased MW Output and/or MW Reduction that a Providing Unit can provide based on its Technical Offer Data as determined by its Warmth State or Ramping Margin Limitation as appropriate.

For the avoidance of doubt, the parameters used in the calculation of Potential Ramping Margin will include but not be limited to the following: Synchronous Start-Up Time Cold; Synchronous Start-Up Time Warm and Synchronous Start-Up Time Hot.

### 3.2 RM1 Payments

The Service Provider will receive a payment for each MW of RM1 Available Volume it provides from the Providing Unit in each Trading Period determined in accordance with the following provisions of this Section 3.2 of Part D of Schedule 4. Unless stated otherwise, all parameters used in the calculation of such payments are the Time Weighted Average for a Trading Period.

The payment to the Service Provider for RM1 Available Volume of the Providing Unit in a Trading Period is determined as:

RM1 Trading Period Payment = RM1 Available Volume x RM1 Payment Rate x RM1 Scaling Factor x Trading Period Duration

Where:

- a) RM1 Available Volume (expressed in MW) is the Available Volume of the Providing Unit in respect of RM1 and is calculated in accordance with Section 3.1;
- b) RM1 Payment Rate is the Payment Rate (expressed in £/MWh) applicable to RM1;
- c) RM1 Scaling Factor = RM1 Performance Scalar; and
- d) the Trading Period Duration (expressed in hours).

### 3.3 Assessment of RM1 Performance

In order to assess the quality of delivery of RM1 when required by the Power System, the Providing Unit will be monitored and assessed following the issue of a Dispatch Instruction by the Company. The value of the RM1 Performance Scalar will be determined based on whether the result of the Performance Assessment is a Pass or Fail.

#### **4 Ramping Margin 3 (RM3) – Available Volume, Payment and Performance Assessment**

The basis for payments for Ramping Margin 3 (RM3) is the calculation of the RM3 Available Volume of the Providing Unit over a Trading Period. The Technical Offer Data, Minimum Generation and average MW Output or average MW Reduction of the Providing Unit for that Trading Period and the minimum of the Availability of the Providing Unit from the start of that Trading Period until eight hours later form the basis for calculating RM3 Available Volume. The payment for the Trading Period is adjusted by the RM3 Scaling Factor.

##### **4.1 RM3 Available Volume**

The Available Volume of the Providing Unit to provide RM3 in a Trading Period is equal to the lesser of:

- a) the Potential Ramping Margin of the Providing Unit for three hours;
- b) the difference between the minimum of the Availability from the start of the Trading Period until eight hours later and the average MW Output or average MW Reduction; and
- c) the lowest value of Declared RM3 for the Trading Period.

Where:

Potential Ramping Margin means the increased MW Output and/or MW Reduction that a Providing Unit can provide based on its Technical Offer Data as determined by its Warmth State or Ramping Margin Limitation as appropriate.

For the avoidance of doubt, the parameters used in the calculation of Potential Ramping Margin will include but not be limited to the following: Synchronous Start-Up Time Cold; Synchronous Start-Up Time Warm and Synchronous Start-Up Time Hot.

## 4.2 RM3 Payments

The Service Provider will receive a payment for each MW of RM3 Available Volume it provides from the Providing Unit in each Trading Period determined in accordance with the following provisions of this Section 4.2. Unless stated otherwise, all parameters used in the calculation of such payments are the Time Weighted Average for a Trading Period.

The payment to the Service Provider for RM3 Available Volume of the Providing Unit in a Trading Period is determined as:

$$\text{RM3 Trading Period Payment} = \text{RM3 Available Volume} \times \text{RM3 Payment Rate} \times \text{RM3 Scaling Factor} \times \text{Trading Period Duration}$$

Where:

- a) RM3 Available Volume (expressed in MW) is the Available Volume of the Providing Unit in respect of RM3 and is calculated in accordance with Section 4.1;
- b) RM3 Payment Rate is the Payment Rate (expressed in £/MWh) applicable to RM3;
- c) RM3 Scaling Factor = RM3 Performance Scalar; and
- d) the Trading Period Duration (expressed in hours).

## 4.3 Assessment of RM3 Performance

In order to assess the quality of delivery of RM3 when required by the Power System, the Providing Unit will be monitored and assessed following the issue of a Dispatch Instruction by the Company. The value of the RM3 Performance Scalar will be determined based on whether the result of the Performance Assessment is a Pass or Fail.



## **5 Ramping Margin 8 (RM8) - Available Volume, Payment and Performance Assessment**

The basis for payments for Ramping Margin 8 (RM8) is the calculation of the RM8 Available Volume of the Providing Unit over a Trading Period. The Technical Offer Data, Minimum Generation and average MW Output or average MW Reduction of the Providing Unit for that Trading Period and the minimum of the Availability of the Providing Unit from the start of that Trading Period until sixteen hours later form the basis for calculating RM8 Available Volume. The payment for the Trading Period is adjusted by the RM8 Scaling Factor.

### **5.1 RM8 Available Volume**

The Available Volume of the Providing Unit to provide RM8 in a Trading Period is equal to the lesser of:

- a) the Potential Ramping Margin of the Providing Unit for eight hours;
- b) the difference between the minimum of the Availability from the start of the Trading Period until sixteen hours later and the average MW Output or average MW Reduction; and
- c) the lowest value of Declared RM8 for the Trading Period.

Where:

Potential Ramping Margin means the increased MW Output and/or MW Reduction that a Providing Unit can provide based on its Technical Offer Data as determined by its Warmth State or Ramping Margin Limitation as appropriate.

For the avoidance of doubt, the parameters used in the calculation of Potential Ramping Margin will include but not be limited to the following: Synchronous Start-Up Time Cold; Synchronous Start-Up Time Warm and Synchronous Start-Up Time Hot.

## 5.2 RM8 Payments

The Service Provider will receive a payment for each MW of RM8 Available Volume it provides from the Providing Unit in each Trading Period determined in accordance with the following provisions of this Section 5.2. Unless stated otherwise, all parameters used in the calculation of such payments are the Time Weighted Average for a Trading Period.

The payment to the Service Provider for RM8 Available Volume of the Providing Unit in a Trading Period is determined as:

RM8 Trading Period Payment = RM8 Available Volume x RM8 Payment Rate x RM8 Scaling Factor x Trading Period Duration

Where:

- a) RM8 Available Volume (expressed in MW) is the Available Volume of the Providing Unit in respect of RM8 and is calculated in accordance with Section 5.1;
- b) RM8 Payment Rate is the Payment Rate (expressed in £/MWh) applicable to RM8;
- c) RM8 Scaling Factor = RM8 Performance Scalar; and
- d) the Trading Period Duration (expressed in hours).

## 5.3 Assessment of RM8 Performance

In order to assess the quality of delivery of RM8 when required by the Power System, the Providing Unit will be monitored and assessed following the issue of a Dispatch Instruction by the Company. The value of the RM8 Performance Scalar will be determined based on whether the result of the Performance Assessment is a Pass or Fail.

## **Part E Dynamic Reactive Response (DRR)**

### **1 Definition of Service**

Dynamic Reactive Response (DRR) is the ability of a Providing Unit connected to the Power System to deliver Reactive Current for Voltage Dips in excess of 30% of the Nominal Voltage at the Connection Point. The volume of Reactive Current required is that which would achieve at least a Reactive Power in Mvar at Nominal Voltage at the Connection Point equivalent in magnitude to 31% of the Registered Capacity of the Providing Unit. The Reactive Current shall be supplied with a Rise Time no greater than 40 ms and a Settling Time no greater than 300 ms.

### **2 Minimum Technical Requirements**

The Service Provider must provide DRR in accordance with the technical requirements of this Part E of Schedule 4 and the relevant Operating Parameters for each Providing Unit.

Unless stated otherwise, all quantities used in DRR calculations are referenced at the Connection Point and conversion factors will be used to convert values that are not so provided where necessary.

### **3 Dynamic Reactive Response (DRR) - Available Volume, Payment and Performance Assessment**

The basis for payments for Dynamic Reactive Response (DRR) is the calculation of the DRR Available Volume of the Providing Unit over a Trading Period. The Registered Capacity of the Providing Unit for the Trading Period forms the basis for calculating DRR Available Volume. The DRR Available Volume is the Registered Capacity of the Providing Unit for the Trading Period when Synchronised or connected to the Power System and capable of providing the service. The DRR Available Volume of the Providing Unit (as calculated in accordance with Section 3.1 of this Part E of Schedule 4) for the Trading Period is multiplied by the DRR Payment Rate to determine the payment to be made to the Service Provider for the Trading Period.

### 3.1 DRR Available Volume

The Available Volume of the Providing Unit to provide DRR in a Trading Period is the product of the Registered Capacity of the Providing Unit for the Trading Period and the Time-Weighted Average Declared DRR of the Providing Unit for the Trading Period for the percentage of the Trading Period where the Providing Unit is Synchronised or connected to the Power System and capable of providing DRR.

### 3.2 DRR Payments

The Service Provider will receive a payment for each MW of DRR Available Volume it provides from the Providing Unit in each Trading Period determined in accordance with the following provisions of this Section 3.2. Unless stated otherwise, all parameters used in the calculation of such payments are the Time Weighted Average for a Trading Period.

The payment to the Service Provider for DRR Available Volume of the Service Provider in a Trading Period is determined as:

DRR Trading Period Payment = DRR Available Volume × DRR Payment Rate × DRR Scaling Factor × Trading Period Duration

Where:

- a) DRR Available Volume (expressed in MW) is the Available Volume of the Service Provider in respect of DRR and is calculated in accordance with Section 3.1. of Part E of Schedule 4;
- b) DRR Payment Rate is the Payment Rate for DRR (expressed in £/MWh) applicable to DRR;
- c) DRR Scaling Factor = DRR Performance Scalar; and
- d) the Trading Period Duration (expressed in hours).

### 3.3 Assessment of DRR Performance

In order to assess the quality of delivery of DRR when required by the Power System, the Providing Unit will be monitored and assessed during a Fault Disturbance by the Company. The value of the DRR Performance Scalar will be determined based on whether the result of the Performance Assessment is a Pass or Fail.

## Schedule 5

### Billing and Payment Plan

#### 1. Statement of Account and Invoicing

- 1.1 Within twenty five (25) Business Days after the end of each Charging Period, the Company shall submit to the Service Provider a statement of account (the “**Statement**”) specifying:

(i) the quantity of Relevant DS3 System Service(s) provided and (ii) the DS3 System Services Payments due in respect of that Charging Period.

The Company shall use its reasonable endeavours to provide to the Service Provider such reasonable information as may be required to enable the Service Provider to verify the Relevant DS3 System Services provided for that Charging Period. Such information shall be based on data from meters and other systems the Company may use. If, following a Charging Period, the Company is unable to obtain all or part of the information necessary to prepare a Statement, in respect of that Charging Period, then the Company shall make such estimates as are necessary to prepare a Statement for the Charging Period and provide the Service Provider with the basis for such estimates.

- 1.2 Following confirmation by the Company of the actual Relevant DS3 System Services provided and calculation of the correct payments due, then the Statement for the subsequent Charging Period will be revised up or down accordingly.

- 1.3 Within ten (10) Business Days after the date on which the Company submits to the Service Provider a Statement, the Service Provider shall either:

(a) where the Service Provider agrees with the Statement’s accuracy, submit to the Company an invoice for the same aggregate amount as is specified in the Statement (the “**Invoice**”) together with a written notice confirming the accuracy of the Statement; or

(b) where the Service Provider disputes the Statement’s accuracy, submit to the Company an Invoice for such sum as the Service Provider, acting in good faith, believes is due together with a written notice (the “**Claim**”) specifying the sum disputed and the grounds of such dispute. For the avoidance of doubt, the Service

Provider shall not be entitled to issue an Invoice for an amount greater than the aggregate amount specified in the Statement. Any claim under this Section 1.3 shall be subject to the dispute resolution mechanism set out in Section 3 below.

- 1.4 The Service Provider shall be deemed to have agreed with the accuracy of the Statement if it fails to submit the Claim to the Company in accordance with Section 1.3.
- 1.5 Nothing in Sections 1.3 or 1.4 above shall prevent either Party from disputing information contained in or referred to in a Statement or an Invoice at any time where it is reasonable in all circumstances to do so, which includes in the case of fraud or manifest error. No dispute in respect of a Statement and/or invoice shall be raised after the first anniversary of the date of such Statement or Invoice.

## **2. Invoice Payment Date**

- 2.1 Subject to Clause 4.2.3, within ten (10) Business Days after the Company's receipt of the Invoice, the Company shall pay to the Service Provider the sum due in respect of the Invoice by electronic transfer of funds to such bank account as may be specified in Schedule 8 or otherwise communicated in writing to the Company, quoting the invoice number against which payment is made.
- 2.2 Subject to Section 3, if any amount included in the Invoice remains unpaid after the time period stated in Section 2.1, then the Service Provider shall be entitled to charge interest on the amount unpaid, including interest on any Value Added Tax unpaid, in accordance with the Late Payments of Commercial Debts (Interest) Act 1998.

## **3. Billing and Payment Reconciliation and Dispute Resolution Mechanism**

- 3.1 Where the Service Provider pursuant to Section 1.3 (b) disputes the Statement or the Invoice and submits a Claim to the Company:
  - (a) the Parties shall use reasonable endeavours to resolve the dispute in good faith;  
or
  - (b) where the dispute remains unresolved forty (40) Business Days after the Company's receipt of the Claim, either Party may refer the dispute for resolution by the Expert in accordance with the Dispute Resolution Procedure; and

- (c) following resolution of the dispute, any amount agreed or determined to be payable shall be paid within ten (10) Business Days after such agreement or determination and interest shall accrue on such amounts plus Valued Added Tax (if any) from the date such amount was originally due until the date of payment in accordance with the Late Payments of Commercial Debts (Interest) Act 1998.



## **Schedule 6**

### **Dispute Resolution Procedure**

#### **1. Internal Discussion**

1.1 Either Party may notify the other Party following the occurrence or discovery of any item or event which the notifying Party acting in good faith considers to be a dispute under the Agreement.

1.2 Within twenty (20) Business Days of the notice in Paragraph 1.1, either Party ("first Party") may, if considered appropriate and by further notice to the other Party ("second Party"), appoint a senior company official with expertise in the area of dispute to represent it. The second Party shall then also appoint a senior company official with expertise in the area of dispute to represent it and shall notify the first Party accordingly within a further ten (10) Business Days. The Parties shall procure that their respective representatives meet within ten (10) Business Days after the date of the second Party's notice and attempt in good faith to satisfactorily resolve the dispute.

#### **2. Referral to Arbitration**

If the dispute shall fail to be resolved pursuant to Paragraph 1.2 within thirty five (35) Business Days of the meeting referred to then, save where expressly stated to the contrary in this Agreement or where this Agreement provides that a dispute shall be referred to the Expert or the Regulatory Authority for resolution and subject to any contrary provision of the Order or a Licence or the rights, powers, duties and obligations of the Regulatory Authority or the Secretary of State under the Order, any Licence or otherwise, either Party may refer such dispute to arbitration pursuant to the rules of the Electricity Arbitration Association in force from time to time.

#### **3. Expert**

If a dispute shall fail to be resolved pursuant to Paragraph 1.2 within thirty five (35) Business Days of the meeting referred to then, where any provision of this Agreement provides for any matter to be referred to or resolved by the Expert, any dispute or difference arising in connection with any such provision between the parties shall be and is hereby referred to the Expert. The following provisions shall apply between the Parties with respect to any matter, difference or dispute under this Agreement which is to be referred to an Expert:

- (a) The Expert shall be appointed by the Parties, or in default of agreement upon such appointment within seven (7) days of a Party notifying the other Party of its decision to refer the matter to an Expert, the Expert shall be appointed by the President for the time being of the EAA.
- (b) The Expert will resolve or settle such matter or dispute in such manner as he shall in his absolute discretion see fit and shall act as expert and not as arbitrator. The Expert shall be requested to reach his decision within thirty (30) days of the matter being referred to him. Any decision of the Expert shall, subject to any provision to the contrary in this Agreement, be final and binding on the Parties.
- (c) Unless otherwise determined by the Expert, the costs of the Expert in settling or determining such matter or dispute shall be borne equally by the Parties.

#### 4. Proper Law

Whatever the nationality, residence or domicile of either Party and wherever the dispute or difference or any part thereof arose the law of Northern Ireland shall be the proper law of any reference to arbitration hereunder and in particular (but not so as to derogate from the generality of the foregoing) the provisions of the Arbitration Act 1996 shall apply to any such arbitration wherever the same or any part of it shall be conducted and the place of the arbitration shall be in England and Wales.

#### 5. Third Party Claims (I)

Subject always to paragraph 8, if any third party (being a person who is not a party to this Agreement) brings any legal proceedings in any court against either Party to this Agreement (the "Defendant Contracting Party"), and the Defendant Contracting Party wishes to make a Third Party Claim (as defined in paragraph 7) against the other Party (a "Contracting Party") which would but for this paragraph 5 have been a dispute or difference referred to arbitration by virtue of paragraph 2 then, notwithstanding the provisions of paragraph 2 which shall not apply and in lieu of arbitration, the court in which the legal proceedings have been commenced shall hear and completely determine and adjudicate upon the legal proceedings and the Third Party Claim not only between the third party and the Defendant Contracting Party but also between either or both of them and the other Contracting Party whether by way of third party proceedings or otherwise as may be ordered by the court.

## 6. Third Party Claims (2)

Where a Defendant Contracting Party makes a Third Party Claim against the other Contracting Party and such Contracting Party wishes to make a Third Party Claim against the other Contracting Party the provisions of paragraph 5 shall apply mutatis mutandis as if such Contracting Party had been the Defendant Contracting Party and similarly in relation to any such further Contracting Party.

## 7. Third Party Claims (3)

For the purposes of this Schedule 6 "Third Party Claim" shall mean:

- 7.1 any claim by a Defendant Contracting Party against a Contracting Party (whether or not already a party to the legal proceedings) for any contribution or indemnity;
- 7.2 any claim by a Defendant Contracting Party against such a Contracting Party for any relief or remedy relating to or connected with the subject matter of the legal proceedings and substantially,

the same as some relief or remedy claimed by the third party; or

- 7.3 any requirement by a Defendant Contracting Party that any question or issue relating to or connected with the subject matter of the legal proceedings should be determined not only as between the third party and the Defendant Contracting Party but also as between either or both of them and a Contracting Party (whether or not already a party to the legal proceedings).

## 8 Limitation

Paragraph 5 shall apply only if at the time the legal proceedings are commenced no arbitration has been commenced between the Defendant Contracting Party and the other Contracting Party raising or involving the same or substantially the same issues as would be raised by or involved in the Third Party Claim. The tribunal in any arbitration which has been commenced prior to the commencement of legal proceedings shall determine the question, in the event of dispute, whether the issues raised or involved are the same or substantially the same.

## Schedule 7

### Address Details, Billing Address of SONI and Address Details of The Service Provider

**1. SONI Limited**

**a) Registered Address**

SONI Limited  
12 Manse Road  
Belfast BT6 9RT

For the attention of

Commercial Department

**b) Billing Address**

Accounts Payable  
SONI Limited  
12 Manse Road  
Belfast BT6 9RT

For the attention of

Commercial Department

**2. SERVICE PROVIDER**

[insert address]

For the attention of

[insert name]

## Schedule 8

### Banking Details of The Service Provider

#### SERVICE PROVIDER

Bank Name

Address

Account Name

Sort Code

Account Number

## **Schedule 9**

### **Part 1 – Providing Unit**

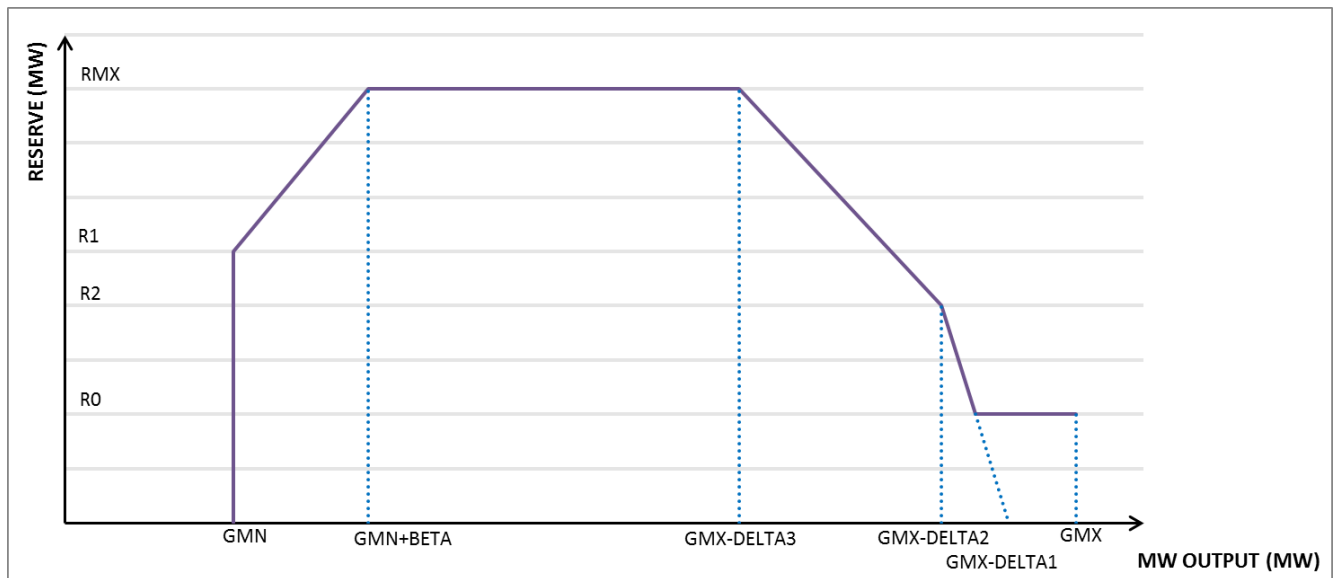
## Part 2 - Operating Parameters

### 1. Reserve Characteristics

The Reserve Characteristic is a generic characteristic that is applied to POR, SOR, TOR1, TOR2, RR and FFR for the purpose of calculating payments and incorporating the Operating Parameters in this Schedule 9.

**Figure 1** below illustrates the generic Reserve Characteristic of the Providing Unit.

(Note: The characteristic utilises the maximum number of break points. In practice the majority of units will have a less complex structure.)



**Figure 1 Reserve Characteristic**

### Parameters

The parameters used in this figure are:

- RMX = the maximum reserve from the Providing Unit.
- GMN = Providing Unit's minimum output for providing reserve.
- GMX = Providing Unit's average declared MW availability of the active fuel
- R1 = reserve that can be provided when MW Output is equal to GMN
- R0 = reserve that can be provided when MW Output is equal to GMX

BETA, DELTA1, DELTA2, DELTA3, and R2 define curve break points.

### **Points to note**

- The active fuel at the start of the trading period will determine which characteristic is used for the entire trading period.
- The average declared MW availability of the active fuel will be used in the calculations.

e.g. (for illustration purpose only)

TIME	MDMW	MDMW
00:00 – 00:15	GAS 200 (ACTIVE)	DIST 150
00:15 – 00:30	GAS 200	DIST 100 (ACTIVE)
For the TP 00:00-00:30 time-weighted average is used	$(200 \times 15 + 100 \times 15) / 30$ $4500 / 30 = 150 \text{ MW}$	CALCULATIONS BASED ON 150MW USING GAS RESERVE CURVE



## Reserve Characteristic Parameters

Table 1 refers to the primary fuel of the unit and Table 2 to the secondary fuel of the unit where it exists. Table 3 should be filled in where a unit is capable of using a mixed fuel e.g. coal and oil. Tables 4 and 5 should be filled in where the unit operates in open cycle mode on either primary or secondary fuel respectively.

RESERVE CHARACTERISTIC PARAMETERS ON PRIMARY FUEL					
	POR	SOR	TOR1	TOR2	RR
RMX					
GMN					
R0					
R1					
R2					
DELTA1					
DELTA2					
DELTA3					
BETA					
PRIMARY FUEL					

**Table 1: RESERVE CHARACTERISTIC PARAMETERS ON PRIMARY FUEL**

RESERVE CHARACTERISTIC PARAMETERS ON SECONDARY FUEL					
	POR	SOR	TOR1	TOR2	RR
RMX					
GMN					
R0					
R1					
R2					
DELTA1					
DELTA2					
DELTA3					
BETA					
SECONDARY FUEL					

**Table 2: RESERVE CHARACTERISTIC PARAMETERS ON SECONDARY FUEL**

RESERVE CHARACTERISTIC PARAMETERS ON MIXED FUEL					
	POR	SOR	TOR1	TOR2	RR
RMX					
GMN					
R0					
R1					
R2					
DELTA1					
DELTA2					
DELTA3					
BETA					
MIXED FUEL					

**Table 3: RESERVE CHARACTERISTIC PARAMETERS ON MIXED FUEL**

RESERVE CHARACTERISTIC PARAMETERS ON PRIMARY FUEL IN OPEN CYCLE MODE					
	POR	SOR	TOR1	TOR2	RR
RMX					
GMN					
R0					
R1					
R2					
DELTA1					
DELTA2					
DELTA3					
BETA					
PRIMARY FUEL					

**Table 4: RESERVE CHARACTERISTIC PARAMETERS ON PRIMARY FUEL IN OPEN CYCLE  
MODE**

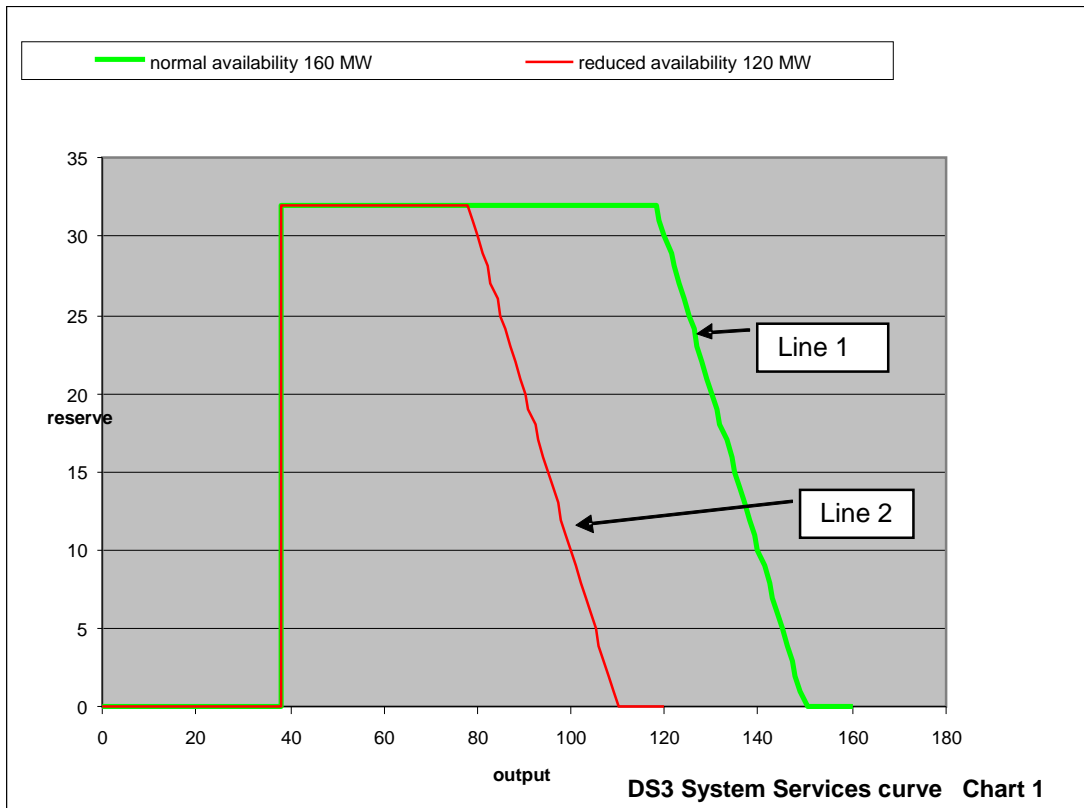
RESERVE CHARACTERISTIC PARAMETERS ON SECONDARY FUEL IN OPEN CYCLE MODE					
	POR	SOR	TOR1	TOR2	RR
RMX					
GMN					
R0					
R1					
R2					
DELTA1					
DELTA2					
DELTA3					
BETA					
SECONDARY FUEL					

**Table 5: RESERVE CHARACTERISTIC PARAMETERS ON SECONDARY FUEL IN OPEN CYCLE  
MODE**

## 1. Example of Reserve Characteristics and Providing Unit Availability adjustment

Note: The following is an example for illustration purposes only.

**Reserve Characteristics** are adjusted by the **Availability** of the **Providing Unit** in the following manner in order to determine reserve values for a given Output for different Availability values.



The example in Chart 1 above uses a 160 MW generating unit.

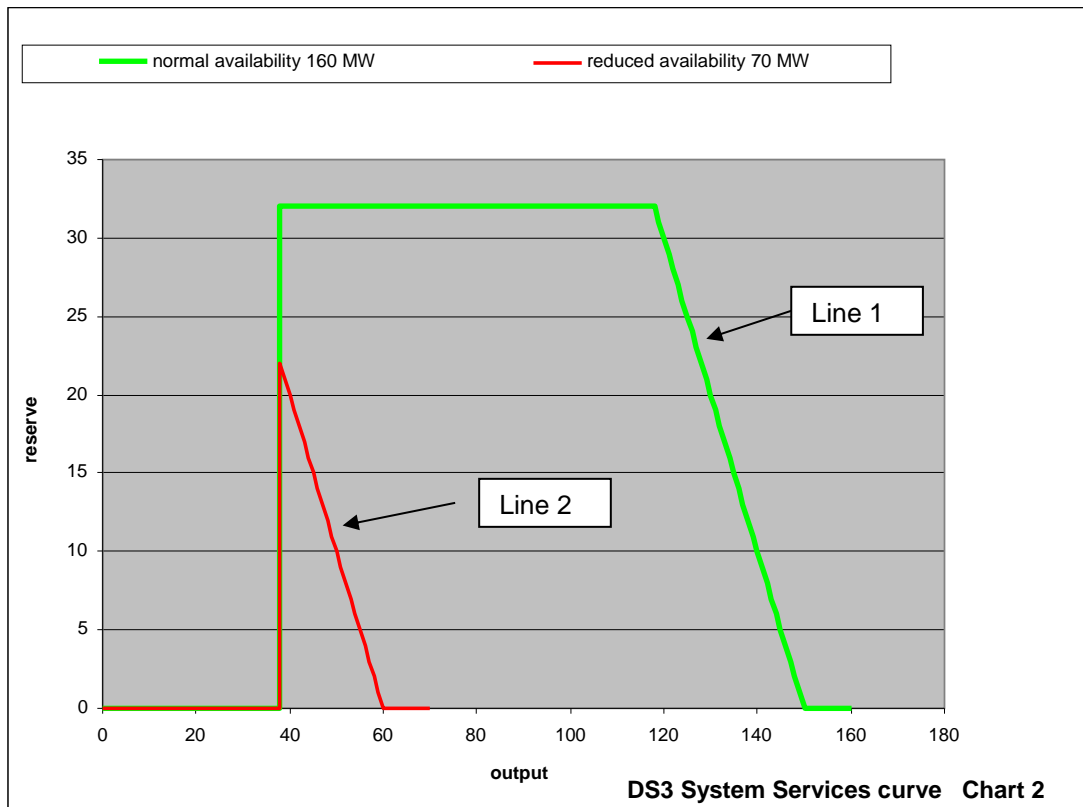
Line 1 (green) indicates the reserve available for a given Output when the machine has Availability of 160 MW.

Line 2 (red) indicates the reserve available for a given Output when the machine has Availability of 120 MW

If the generating unit Availability is reduced the original curve moves to reflect the reduction in Availability on the X axis towards zero.

For an Output of 100 MW with Availability of 160 MW the reserve available is 32 MW.

For an Output of 100 MW with Availability of 120 MW the reserve available is 10 MW



The example in chart 2 above uses a 160 MW generating unit.

Line 1 (green) indicates the reserve available for a given Output when the machine has Availability of 160 MW.

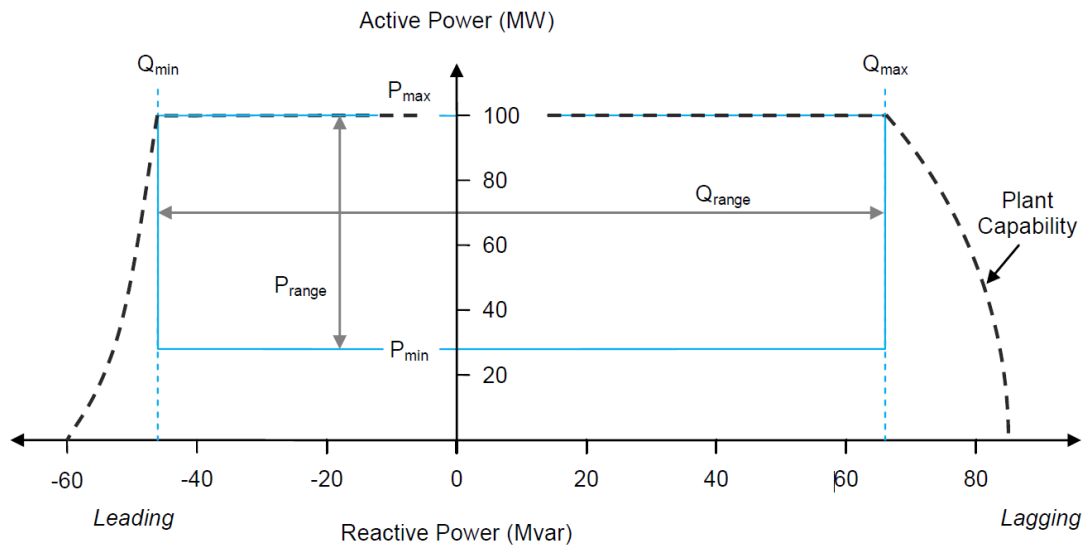
Line2 (red) indicates the reserve available for a given Output when the machine has Availability of 70 MW.

For an Output of 50 MW with Availability of 160 MW the reserve available is 32 MW.

For an Output of 50 MW with Availability of 70 MW the reserve available is 10 MW.

## 2. Reactive Power PQ diagram

Service Provider to provide PQ diagram for Providing Unit in format below illustrating Reactive power range across Active Power range at Nominal Voltage.



Service Provider to provide PQ capability for Providing Unit in table below illustrating Reactive power range across Active Power range at Nominal Voltage:

<b>TABLE 6 - PQ Capability</b>			
<b>Registered Capacity</b>			
<b>% RCAP</b>	<b>P</b>	<b>Q Lead</b>	<b>Q Lag</b>
0.00 of RCAP	0.0		
0.05 of RCAP	0.0		
0.10 of RCAP	0.0		
0.12 of RCAP	0.0		
0.15 of RCAP	0.0		
0.20 of RCAP	0.0		
0.25 of RCAP	0.0		
0.30 of RCAP	0.0		
0.35 of RCAP	0.0		
0.40 of RCAP	0.0		
0.45 of RCAP	0.0		
0.50 of RCAP	0.0		
0.55 of RCAP	0.0		
0.60 of RCAP	0.0		
0.65 of RCAP	0.0		
0.70 of RCAP	0.0		
0.75 of RCAP	0.0		
0.80 of RCAP	0.0		
0.85 of RCAP	0.0		
0.90 of RCAP	0.0		
0.95 of RCAP	0.0		
1.00 of RCAP	0.0		

**Dual-shaft or three-shaft Providing Unit which is part of a CCGT installation**

**TABLE 7 - PQ Capability (GAS TURBINE)**

Registered Capacity (GAS TURBINE)			
% RCAP	P	Q Lead	Q Lag
0.00 of RCAP	0.0		
0.05 of RCAP	0.0		
0.10 of RCAP	0.0		
0.12 of RCAP	0.0		
0.15 of RCAP	0.0		
0.20 of RCAP	0.0		
0.25 of RCAP	0.0		
0.30 of RCAP	0.0		
0.35 of RCAP	0.0		
0.40 of RCAP	0.0		
0.45 of RCAP	0.0		
0.50 of RCAP	0.0		
0.55 of RCAP	0.0		
0.60 of RCAP	0.0		
0.65 of RCAP	0.0		
0.70 of RCAP	0.0		
0.75 of RCAP	0.0		
0.80 of RCAP	0.0		
0.85 of RCAP	0.0		
0.90 of RCAP	0.0		
0.95 of RCAP	0.0		
1.00 of RCAP	0.0		



Dual-shaft or three-shaft Providing Unit which is part of a CCGT installation

**TABLE 8 - PQ Capability (STEAM TURBINE)**

Registered Capacity (STEAM TURBINE)			
% RCAP	P	Q Lead	Q Lag
0.00 of RCAP	0.0		
0.05 of RCAP	0.0		
0.10 of RCAP	0.0		
0.12 of RCAP	0.0		
0.15 of RCAP	0.0		
0.20 of RCAP	0.0		
0.25 of RCAP	0.0		
0.30 of RCAP	0.0		
0.35 of RCAP	0.0		
0.40 of RCAP	0.0		
0.45 of RCAP	0.0		
0.50 of RCAP	0.0		
0.55 of RCAP	0.0		
0.60 of RCAP	0.0		
0.65 of RCAP	0.0		
0.70 of RCAP	0.0		
0.75 of RCAP	0.0		
0.80 of RCAP	0.0		
0.85 of RCAP	0.0		
0.90 of RCAP	0.0		
0.95 of RCAP	0.0		
1.00 of RCAP	0.0		

Non-synchronous Providing Unit with negative Active Power range			
TABLE 9 - PQ Capability (Non-Synchronous with negative Active Power range)			
Registered Capacity			
% RCAP	P	Q Lead	Q Lag
-1.00 of RCAP	0.0		
-0.95 of RCAP	0.0		
-0.90 of RCAP	0.0		
-0.85 of RCAP	0.0		
-0.80 of RCAP	0.0		
-0.75 of RCAP	0.0		
-0.70 of RCAP	0.0		
-0.65 of RCAP	0.0		
-0.60 of RCAP	0.0		
-0.55 of RCAP	0.0		
-0.50 of RCAP	0.0		
-0.45 of RCAP	0.0		
-0.40 of RCAP	0.0		
-0.35 of RCAP	0.0		
-0.30 of RCAP	0.0		
-0.25 of RCAP	0.0		
-0.20 of RCAP	0.0		
-0.15 of RCAP	0.0		
-0.10 of RCAP	0.0		
-0.05 of RCAP	0.0		
0.00 of RCAP	0.0		
0.05 of RCAP	0.0		
0.10 of RCAP	0.0		
0.12 of RCAP	0.0		
0.15 of RCAP	0.0		
0.20 of RCAP	0.0		
0.25 of RCAP	0.0		
0.30 of RCAP	0.0		
0.35 of RCAP	0.0		
0.40 of RCAP	0.0		
0.45 of RCAP	0.0		
0.50 of RCAP	0.0		
0.55 of RCAP	0.0		
0.60 of RCAP	0.0		

0.65 of RCAP	0.0		
0.70 of RCAP	0.0		
0.75 of RCAP	0.0		
0.80 of RCAP	0.0		
0.85 of RCAP	0.0		
0.90 of RCAP	0.0		
0.95 of RCAP	0.0		
1.00 of RCAP	0.0		

### 3. Additional Operating Parameters

Name	Description	Units	Value
Declaration Flag for MDMW (Declared Generation Available)	Flags whether the Providing Unit sends declarations for MDMW through EDIL	N/A	
Declaration Flag for MNMW (Minimum Generation Available)	Flags whether the Providing Unit sends declarations for MNMW through EDIL	N/A	
Declaration Flag for FUEL (Current Fuel Being Used)	Flags whether the Providing Unit sends declarations for FUEL through EDIL	N/A	
Declaration Flag for POR (Primary Operating Reserve Availability)	Flags whether the Providing Unit sends declarations for POR through EDIL	N/A	
Declaration Flag for SOR (Secondary Operating Reserve Availability)	Flags whether the Providing Unit sends declarations for SOR through EDIL	N/A	
Declaration Flag for TOR1 (Tertiary 1 Operating Reserve Availability)	Flags whether the Providing Unit sends declarations for TOR1 through EDIL	N/A	
Declaration Flag for TOR2 (Tertiary 2 Operating Reserve Availability)	Flags whether the Providing Unit sends declarations for TOR2 through EDIL	N/A	
Declaration Flag for RRA (Replacement Reserve Availability)	Flags whether the Providing Unit sends declarations for RRA through EDIL	N/A	
Declaration Flag for MDLD (Maximum MVAR Leading)	Flags whether the Providing Unit sends declarations for MDLD through EDIL	N/A	
Declaration Flag for MDLG (Maximum MVAR Lagging)	Flags whether the Providing Unit sends declarations for MDLG through EDIL	N/A	
Declaration Flag for AVR (Ability to act under AVR)	Flags whether the Providing Unit sends declarations for AVR through EDIL	N/A	
Declaration Flag for RM1 (Ramping Margin 1-3 hours)	Flags whether the Providing Unit sends declarations for RM1 through EDIL	N/A	
Declaration Flag for RM3 (Ramping Margin 3-8 hours)	Flags whether the Providing Unit sends declarations for RM3 through EDIL	N/A	
Declaration Flag for RM8 (Ramping Margin 8-16 hours)	Flags whether the Providing Unit sends declarations for RM8 through EDIL	N/A	
Product Scalar for POR	Value of the Product Scalar for POR payments.	N/A	

Name	Description	Units	Value
Initial Performance Scalar for POR	Value of the Initial Performance Scalar for POR payments.	N/A	
Product Scalar for multi-POR Providing Units	Value of the Product Scalar for Static POR payments, for Providing Units which can provide both dynamic and static reserve types which should be remunerated at different rates.	N/A	
Product Scalar for SOR	Value of the Product Scalar for SOR payments.	N/A	
Initial Performance Scalar for SOR	Value of the Initial Performance Scalar for SOR payments.	N/A	
Product Scalar for multi-SOR Providing Units	Value of the Product Scalar for Static SOR payments, for Providing Units which can provide both dynamic and static reserve types which should be remunerated at different rates.	N/A	
Product Scalar for TOR1	Value of the Product Scalar for TOR1 payments.	N/A	
Initial Performance Scalar for TOR1	Value of the Initial Performance Scalar for TOR1 payments.	N/A	
Product Scalar for multi-TOR1 Providing Units	Value of the Product Scalar for Static TOR1 payments, for Providing Units which can provide both dynamic and static reserve types which should be remunerated at different rates.	N/A	
Initial Performance Scalar for TOR2	Value of the Initial Performance Scalar for TOR2 payments.	N/A	
Initial Performance Scalar for RRS	Value of the Initial Performance Scalar for RRS payments.	N/A	
Initial Performance Scalar for RRD	Value of the Initial Performance Scalar for RRD payments.	N/A	
Initial Performance Scalar for RM1	Value of the Initial Performance Scalar for RM1 payments.	N/A	
Initial Performance Scalar for RM3	Value of the Initial Performance Scalar for RM3 payments.	N/A	
Initial Performance Scalar for RM8	Value of the Initial Performance Scalar for RM8 payments.	N/A	

Name	Description	Units	Value
Providing Unit Type	Defines the Providing Unit type as one of the following categories: 0 = CDGU (including AGU) 3 = CDGU with sync comp 10 = Pumped Storage 20 = Interconnector 30 = DSU 40 = Wind Farm Power Station/Power Park Module 60 = Battery	N/A	
Flag for combined cycle	This parameter indicates whether a synchronous Providing Unit is a: 0 = single-shaft 1 = dual-shaft 2 = three-combined cycle	N/A	
Flag for split voltage declarations	This parameter indicates whether a synchronous dual-shaft/three-shaft Providing Unit sends voltage related declarations as a combined cycle Providing Unit (= 0) or separately for the GT and ST (=1).	N/A	
Flag for Available Active Power signal	This parameter indicates whether a non-synchronous Providing Unit sends an Available Active Power signal through EMS, primarily a signal sent by WFPS (Wind Farm Power Station) and PPM (Power Park Module).	N/A	
Flag for Energy Storage Unit	This parameter indicates whether a non-synchronous Providing Unit is limited by Energy Storage and sends a Percentage Energy Stored signal through EMS, (primarily a signal sent by a battery).	N/A	
Flag for Remaining MWh	This parameter indicates whether a Providing Unit is Energy Limited and sends a Remaining MWh signal through EMS, (primarily a signal sent by hydro and pumped storage generators).	N/A	
Flag for Default RM1	This parameter indicates whether a Providing Unit can quick-start from a desynchronised state within 1 hour.	N/A	
Flag for Default RM3	This parameter indicates whether a Providing Unit can quick-start from a desynchronised state within 3 hours	N/A	
Flag for Default RM8	This parameter indicates whether a Providing Unit can quick-start from a desynchronised state within 8 hours	N/A	
Kinetic Energy	The product of Base MVA and Inertial constant	MWs	
Base MVA used for Kinetic Energy calculation	For single-shaft Providing Units, sets the kinetic energy of the Providing Unit.	MVA	
Inertial Constant	For single-shaft Providing Units, sets the kinetic energy of the Providing Unit.	s	
Kinetic Energy for GT	The product of Base MVA and Inertial constant of the	MWs	

Name	Description	Units	Value
	GT		
Base MVA used for Kinetic Energy calculation for GT	For dual-shaft and three-shaft combined cycle Providing Units, sets the kinetic energy of the GT of Providing Unit.	MVA	
Inertial Constant for GT	For dual-shaft and three-shaft combined cycle Providing Units, sets the kinetic energy of the GT of Providing Unit.	s	
Kinetic Energy for ST	The product of Base MVA and Inertial constant of the ST	MWs	
Base MVA used for Kinetic Energy calculation for ST	For dual-shaft and three-shaft combined cycle Providing Units, sets the kinetic energy of the ST of Providing Unit.	MVA	
Inertial Constant for ST	For dual-shaft and three-shaft combined cycle Providing Units, sets the kinetic energy of the ST of Providing Unit.	s	
Minimum MW for full synchronisation	For synchronous Providing Units the MW threshold value, for which full synchronisation is assumed for that Providing Unit, when its Average MW Output is greater than or equal to this value.	MW	
Minimum MW for partial synchronisation	For synchronous Providing Units the MW threshold value, for which partial synchronisation is assumed for that Providing Unit, when its Average MW Output is greater than or equal to this value.	MW	
Minimum MW for SC Mode	For synchronous Providing Units capable of operating in synchronous compensation mode the (negative) MW threshold value, for which full synchronisation in SC mode is assumed for that Providing Unit when its Average MW Output is less than or equal to this value.	MW	
Minimum MW for partial SC Mode	For synchronous Providing Units capable of operating in synchronous compensation mode the (negative) MW threshold value, for which partial synchronisation in SC mode is assumed for that Providing Unit, when its Average MW Output is less than or equal to this value.	MW	
Minimum Pump Capacity	For synchronous Providing Units capable of operating in synchronous demand load, the (negative) MW threshold value for which synchronisation as pump is assumed for that Providing Unit, when their Average MW Output is less than or equal to this value.	MW	
Minimum partial Pump	For synchronous Providing Units capable of operating in synchronous demand load, the (negative) MW threshold value, for which partial synchronisation as pump is assumed for that Providing Unit, when their Average MW Output is less than or equal to this value.	MW	

Name	Description	Units	Value
Registered Capacity	The Registered Capacity for single-shaft synchronous Providing Units and for non-synchronous Providing Units.	MW	
Registered Capacity on alternative fuel	The Registered Capacity on alternative fuel for Providing Units	MW	
Registered Capacity of GT	The Registered Capacity for dual-shaft and three-shaft combined cycle synchronous Providing Units.	MW	
Registered Capacity of ST	The Registered Capacity for dual-shaft and three-shaft combined cycle synchronous Providing Units.	MW	
Minimum MW for Steady-state Reactive Power	The MW threshold value for which non-synchronous Providing Units which can only operate as generators, will be considered capable or providing the SSRP service, when their Average MW Output is greater than or equal to this value.	MW	
Minimum Negative MW for Steady-state Reactive Power	The negative MW threshold value for which Providing Units which primarily operate by demanding active power, will be considered capable or providing the SSRP service when their Average MW Output is less than or equal to this value.	MW	
Contracted Maximum Dispatchable MVAR Leading	The contracted value of MVAR Leading for a Providing Unit.	MVAR	
Contracted Maximum Dispatchable MVAR Lagging	The contracted value of MVAR Lagging for a Providing Unit.	MVAR	
Contracted Maximum Dispatchable MVAR Leading when in synchronous compensation mode	The contracted value of MVAR Leading for a Providing Unit when operating in synchronous compensation mode.	MVAR	
Contracted Maximum Dispatchable MVAR Lagging when in synchronous compensation mode	The contracted value of MVAR Lagging for a Providing Unit when operating in synchronous compensation mode.	MVAR	
Contracted Maximum Dispatchable MVAR Leading for GT	The contracted value of MVAR Leading for the GT of a combined cycle Providing Unit.	MVAR	
Contracted Maximum Dispatchable MVAR Lagging for GT	The contracted value of MVAR Lagging for the GT of a combined cycle Providing Unit.	MVAR	
Contracted Maximum Dispatchable MVAR Leading for ST	The contracted value of MVAR Leading for the ST of a combined cycle Providing Unit.	MVAR	



Name	Description	Units	Value
Contracted Maximum Dispatchable MVAR Lagging for ST	The contracted value of MVAR Lagging for the ST of a combined cycle Providing Unit.	MVAR	
Contracted Ability to act under Automatic Voltage Regulation	The contracted value for AVR for a Providing Unit (which is not a combined cycle gas turbine).	N/A	
Contracted Ability to act under Automatic Voltage Regulation for GT	The contracted value for AVR for GT of a combined cycle Providing Unit.	N/A	
Contracted Ability to act under Automatic Voltage Regulation for ST	The contracted value for AVR for ST of a combined cycle Providing Unit.	N/A	
Contracted Maximum Stored Capacity	The contracted Maximum Stored Capacity of the Providing Unit in the case of Energy Storage Power Station.	N/A	
Contracted POR Energy Stored Limit Low	The contracted POR Energy Stored Limit Low of the Providing Unit in the case of Energy Storage Power Station.	N/A	
Contracted POR Energy Stored Limit High	The contracted POR Energy Stored Limit High of the Providing Unit in the case of Energy Storage Power Station.	N/A	
Contracted SOR Energy Stored Limit Low	The contracted SOR Energy Stored Limit Low of the Providing Unit in the case of Energy Storage Power Station.	N/A	
Contracted SOR Energy Stored Limit High	The contracted SOR Energy Stored Limit High of the Providing Unit in the case of Energy Storage Power Station.	N/A	
Contracted TOR1 Energy Stored Limit Low	The contracted TOR1 Energy Stored Limit Low of the Providing Unit in the case of Energy Storage Power Station.	N/A	
Contracted TOR1 Energy Stored Limit High	The contracted TOR1 Energy Stored Limit High of the Providing Unit in the case of Energy Storage Power Station.	N/A	
Contracted TOR2 Energy Stored Limit Low	The contracted TOR2 Energy Stored Limit Low of the Providing Unit in the case of Energy Storage Power Station.	N/A	
Contracted TOR2 Energy Stored Limit High	The contracted TOR2 Energy Stored Limit High of the Providing Unit in the case of Energy Storage Power Station.	N/A	
Contracted RR Energy Stored Limit Low	The contracted RR Energy Stored Limit Low of the Providing Unit in the case of Energy Storage Power Station.	N/A	
Contracted RR Energy Stored Limit High	The contracted RR Energy Stored Limit High of the Providing Unit in the case of Energy Storage Power Station.	N/A	

Name	Description	Units	Value
Contracted Static POR Providing Unit	This parameter indicates whether a synchronous Providing Unit can be interrupted in POR timeframe when operating in synchronous compensation mode or synchronous demand mode to provide static reserve.	N/A	
Contracted Static SOR Providing Unit	This parameter indicates whether a synchronous Providing Unit can be interrupted in SOR timeframe when operating in synchronous compensation mode or synchronous demand mode to provide static reserve.	N/A	
Contracted Static TOR1 Providing Unit	This parameter indicates whether a synchronous Providing Unit can be interrupted in TOR1 timeframe when operating in synchronous compensation mode or synchronous demand mode to provide static reserve.	N/A	
Contracted Static TOR2 Providing Unit	This parameter indicates whether a synchronous Providing Unit can be interrupted in TOR2 timeframe when operating in synchronous compensation mode or synchronous demand mode to provide static reserve.	N/A	
Contracted Static RRS Providing Unit	This parameter indicates whether a synchronous Providing Unit can be interrupted in RRS timeframe when operating in synchronous compensation mode or synchronous demand mode to provide static reserve.	N/A	
Contracted Maximum POR from pumped storage station	This parameter reflects the hydrological limit and the total POR Volume that can be provided by the sum of all Providing Units at a pumped storage station.	MW	
Contracted turbine POR from Standstill mode	The contracted capability of a pumped storage to provide generator POR from Standstill mode.	MW	
Contracted turbine POR from Pump mode	The contracted capability of a pumped storage to provide generator POR from Pump mode.	MW	
Contracted turbine SOR from Standstill mode	The contracted capability of a pumped storage to provide generator SOR from Standstill .	MW	
Contracted turbine SOR from Pump mode	The contracted capability of a pumped storage to provide generator SOR from Pump mode.	MW	
Contracted turbine TOR1 from Standstill mode	The contracted capability of a pumped storage to provide generator TOR1 from Standstill mode.	MW	
Contracted turbine TOR1 from Pump mode	The contracted capability of a pumped storage to provide generator TOR1 from Pump mode.	MW	
Contracted turbine TOR2 from Standstill mode	The contracted capability of a pumped storage to provide generator TOR2 from Standstill mode	MW	
Contracted turbine TOR2 from Pump mode	The contracted capability of a pumped storage to provide generator TOR2 from Pump mode.	MW	
Contracted turbine RR from Standstill mode	The contracted capability of a pumped storage to provide generator RR from Standstill mode.	MW	

Name	Description	Units	Value
Contracted turbine RR from Pump mode	The contracted capability of a pumped storage to provide generator RR from Pump mode	MW	
Contracted generator POR from SC mode	The contracted capability to provide generator POR for a Providing Unit which is operating in synchronous compensation mode.	MW	
Contracted generator SOR from SC mode	The contracted capability to provide generator SOR for a Providing Unit which is operating in synchronous compensation mode.	MW	
Contracted generator TOR1 from SC mode	The contracted capability to provide generator TOR1 for a Providing Unit which is operating in synchronous compensation mode.	MW	
Contracted generator TOR2 from SC mode	The contracted capability to provide generator TOR2 for a Providing Unit which is operating in synchronous compensation mode.	MW	
Contracted generator RR from SC mode	The contracted capability to provide generator RR for a Providing Unit which is operating in synchronous compensation mode.	MW	
Contracted Maximum POR Available Volume	The Contracted Maximum POR Available Volume for a Providing Unit.	MW	
Contracted Maximum SOR Available Volume	The Contracted Maximum SOR Available Volume for a Providing Unit.	MW	
Contracted Maximum TOR1 Available Volume	The Contracted Maximum TOR1 Available Volume for a Providing Unit.	MW	
Contracted Maximum TOR2 Available Volume	The Contracted Maximum TOR2 Available Volume for a Providing Unit.	MW	
Contracted Maximum RRS Available Volume	The Contracted Maximum RRS Available Volume for a Providing Unit.	MW	
Contracted Maximum RRD Available Volume	The Contracted Maximum RRD Available Volume for a Providing Unit.	MW	
Contracted Trip Order Sequence for pumped storage unit	The contracted trip order sequence (i.e. 1, 2, 3, 4) by which the units in pumped storage station are interrupted during a frequency event.	N/A	
Contracted Minimum Load for pumped storage unit	The contracted Minimum Load for that pumped storage unit.	MW	
Contracted capability to perform fuel changeover within 1 hour	The contracted capability of a Providing Unit which can operate on multiple fuels to perform a fuel changeover within 1 hour.	N/A	
Contracted capability to perform fuel changeover within 3 hours	The contracted capability of a Providing Unit which can operate on multiple fuels to perform a fuel changeover within 3 hours.	N/A	
Contracted capability to perform fuel changeover within 8 hours	The contracted capability of a Providing Unit which can operate on multiple fuels to perform a fuel changeover within 8 hours.	N/A	
Maximum Ramping Margin 1-3 hours	The contracted 'Maximum Ramping Margin 1-3 hours' for that Providing Unit.	MW	

Name	Description	Units	Value
Maximum Ramping Margin 3-8 hours	The contracted 'Maximum Ramping Margin 3-8 hours' for that Providing Unit.	MW	
Maximum Ramping Margin 8-16 hours	The contracted 'Maximum Ramping Margin 8-16 hours' for that Providing Unit.	MW	
Default Maximum Ramping Margin 1-3 hours	The Default Maximum Ramping Margin 1-3 hours, which is assumed for Providing Units capable of quick-start from a desynchronised state.	MW	
Default Maximum Ramping Margin 3-8 hours	The Default Maximum Ramping Margin 3-8 hours, which is assumed for Providing Units capable of quick-start from a desynchronised state	MW	
Default Maximum Ramping Margin 8-16 hours	The Default Maximum Ramping Margin 8-16 hours, which is assumed for Providing Units capable of quick-start from a desynchronised state	MW	
Contracted Maximum SIR Available Volume	The Maximum SIR Available Volume for a Providing Unit	MWs <sup>2</sup>	
Contracted Maximum SIR Available Volume in combined cycle mode	The Maximum SIR Available Volume in combined cycle mode, for a dual- or three-shaft combined cycle machine Providing Units	MWs <sup>2</sup>	
Contracted Maximum SIR Available Volume in open cycle mode	The Maximum SIR Available Volume in open cycle mode, for a dual- or three-shaft combined cycle machine Providing Units	MWs <sup>2</sup>	
Contracted Maximum SIR Available Volume in half combined cycle mode	The Maximum SIR Available Volume in half combined cycle mode, for a three-shaft combined cycle machine Providing Units	MWs <sup>2</sup>	
Contracted Maximum SIR Available Volume in synchronous compensation mode	The Maximum SIR Available Volume in synchronous compensation mode, for a Providing Unit which can operate in synchronous compensation mode	MWs <sup>2</sup>	
Contracted Maximum SIR Available Volume in pump mode	The Maximum SIR Available Volume in pump mode, for a Providing Unit which can operate in pump mode	MWs <sup>2</sup>	
Contracted Maximum SSRP Available Volume	The Maximum SSRP Available Volume for a Providing Unit	MVAr	
Contracted Maximum SSRP Available Volume in combined cycle mode	The Maximum SSRP Available Volume in combined cycle mode, for a dual- or three-shaft combined cycle machine Providing Units	MVAr	
Contracted Maximum SSRP Available Volume in open cycle mode	The Maximum SSRP Available Volume in open cycle mode, for a dual- or three-shaft combined cycle machine Providing Units	MVAr	
Contracted Maximum SSRP Available Volume in half combined cycle mode	The Maximum SSRP Available Volume in half combined cycle mode, for a three-shaft combined cycle machine Providing Units	MVAr	
Contracted Maximum SSRP Available Volume in synchronous compensation mode	The Maximum SSRP Available Volume in synchronous compensation mode, for a Providing Unit which can operate in synchronous compensation mode	MVAr	

Name	Description	Units	Value
Contracted Maximum SSRP Available Volume in pump mode	The Maximum SSRP Available Volume in pump mode, for a Providing Unit which can operate in pump mode	MVAr	
Contracted Maximum RM1 Available Volume	The Contracted Maximum RM1 Available Volume for a Providing Unit	MW	
Contracted Maximum RM3 Available Volume	The Contracted Maximum RM3 Available Volume for a Providing Unit	MW	
Contracted Maximum RM8 Available Volume	The Contracted Maximum RM8 Available Volume for a Providing Unit	MW	
Governor Droop		%	
Export Adjustment Factor 1		N/A	
Export Adjustment Factor 2		N/A	
POR Governor Droop Multiplier Alpha		N/A	
POR Governor Droop Multiplier Beta		N/A	
Governor Droop Providing Unit Related Capacity	The machine capacity relating to the operation of the Frequency control system of a Providing Unit	MW	
Inertia Response		MW	
Inertia Response Calculation Tolerance		MW	

**Note:** The Operating Parameters table above is a generic list of Providing Unit Operating Parameters and may be amended on a Providing Unit basis.

**Parameters for FFR, DRR and FPFAPR (Qualification Trial Process):**

Name	Description	Units	Value
Declaration Flag for DRR (Ability to provide DRR)	Flags whether the Providing Unit sends declarations for DRR through EDIL	N/A	
Contracted Dynamic Reactive Response	The value of contracted Dynamic Reactive Response of the Providing Unit	N/A	
Minimum MW for Dynamic Reactive Response	The MW threshold value for non-synchronous Providing Units which can only operate as generators, when their Average MW Output is greater or equal to, will be considered capable or providing the DRR service.	MW	
Contracted Dynamic Reactive Response for GT	The value of contracted Dynamic Reactive Response of the GT of the combined cycle Providing Unit.	N/A	
Contracted Dynamic Reactive Response for ST	The value of contracted Dynamic Reactive Response of the ST of the combined cycle Providing Unit.	N/A	
Minimum Negative MW for Dynamic Reactive Response	The negative MW threshold value for which Providing Units which primarily operate by demanding active power, when their Average MW Output is less than or equal to, will be considered capable or providing the DRR service.	MW	
Contracted Maximum DRR Available Volume	The contracted Maximum DRR Available Volume for a Providing Unit.	MW	
Declaration Flag for FFR (Fast Frequency Response Availability)	Flags whether the Providing Unit sends declarations for FFR through EDIL	N/A	
Contracted FFR Energy Stored Limit Low	The contracted FFR Energy Stored Limit Low of the Providing Unit in the case of Energy Storage Power Station.	N/A	
Contracted FFR Energy Stored Limit High	The contracted FFR Energy Stored Limit High of the Providing Unit in the case of Energy Storage Power Station.	N/A	
Contracted Static FFR Providing Unit	This parameter indicates whether a synchronous Providing Unit can be interrupted in FFR timeframe when operating in synchronous compensation mode or synchronous demand mode to provide static reserve.	N/A	
Contracted Maximum FFR from pumped storage station	This parameter reflects the hydrological limit and the total FFR Volume that can be provided by the sum of all Providing Units at a pumped storage station.	MW	

Name	Description	Units	Value
Contracted turbine FFR from Standstill mode	The contracted capability of a pumped storage to provide generator FFR from Standstill mode.	MW	
Contracted turbine FFR from Pump mode	The contracted capability of a pumped storage to provide generator FFR from Pump mode.	MW	
Contracted generator FFR from SC mode	The contracted capability to provide generator FFR for a Providing Unit which is operating in synchronous compensation mode.	MW	
Contracted Maximum FFR Available Volume	The contracted Maximum FFR Available Volume for a Providing Unit.	MW	
Declaration Flag for FPFAPR (Ability to provide FPFAPR)	Flags whether the Providing Unit sends declarations for FPFAPR through EDIL	N/A	
Contracted Ability to provide Fast Post Fault Active Power Recovery	The contracted value for AVR for a Providing Unit (which is not a combined cycle gas turbine).	N/A	
Contracted Maximum FPFAPR Available Volume	The contracted Maximum FPFAPR Available Volume for a Providing Unit.	MW	

## **CALCULATION VALUES TABLE**

### **Input**

All values entered through EDIL which are required for calculations in this Agreement have the precision detailed in the table below.

<b>EDIL Parameter</b>	<b>Acronym as displayed in EDIL GUI</b>	<b>Data Type</b>	<b>Unit of Measurement</b>	<b>Precision</b>
Fast Frequency Response	FFR	Float	MW	1
Ramping Margin 1 Hour	RM1	Float	MW	1
Ramping Margin 3 Hour	RM3	Float	MW	1
Ramping Margin 8 Hour	RM8	Float	MW	1
Dynamic Reactive Response	DRR	Binary	None	Yes = 1 / No = 0
Fast Post Fault Active Power Recovery	FPFAPR	Binary	None	Yes = 1 / No = 0
Maximum Generation Available	MDMW	Integer	MW	0
Minimum Generation Available	MNMW	Integer	MW	0
Primary Operating Reserve	POR	Float	MW	1
Secondary Operating Reserve	SOR	Float	MW	1
Tertiary 1 Operating Reserve	TOR1	Float	MW	1
Tertiary 2 Operating Reserve	TOR2	Float	MW	1
Replacement Reserve	RRA	Float	MW	1
Maximum MVAR Leading	MDLD	Float	MVAr	1
Maximum MVAR Lagging	MDLG	Float	MVAr	1
Ability to act under AVR	AVR	Binary	None	Yes = 1 / No = 0
Current Fuel Being Used	FUEL	Text	None	N/A

### **Output**

Where input data is reflected in output reports, the output data shall be displayed to the same level of accuracy as required for the corresponding input data.

Where payment data is reflected in output reports, the payment data shall be displayed to two decimal places.

Where SIR, RM1, RM3, RM8, FFR, FPFAPR and DRR payment data is calculated by the settlement system, at both the Trading Period and monthly level, it will be calculated to floating point precision (7 digits).

Where POR, SOR, TOR1, TOR2, RRS, RRD and SSRP payment data is calculated by the settlement system, at both the Trading Period and monthly level, it will be calculated to two decimal places and any parameters used in calculating the final payment data will be rounded to two decimal places.

<b>Output Values</b>	<b>Unit of Measurement</b>	<b>No. of Decimal Places</b>
Sums to be Paid	£	2



### Calculations

All calculations within the software used by the Company for DS3 System Services shall be calculated to floating point precision (7 digits).

### **Part 3- Provision of DS3 System Service by the Providing Unit**

The Service Provider shall provide the following Relevant DS3 System Services from the Providing Unit:

[list of services]

For the avoidance of doubt, the Service Provider shall have no obligation to provide the following DS3 System Services from the Providing Unit:

[list of services]

