1. Overview – what are contestable works (inc will be owned by TO on an enduring basis)
   * Definition drafted for ‘sole use works’?
2. Overview – scope of what is/isn’t contestable works (sole use works)
   * Create the ability to opt in via a formal request. This should be via the application form. The offer letter could also include text to refer to this option. (to be discussed with ESO Connections Team)
   * Describe difference between Transmission Connection Asset and ‘Contestable Works’ and how they impact on rest of charging methodology (i.e. there is no impact on charging)
   * CUSC section 15 is still required to cover ESO and TO costs associated with managing the contestable works (e.g. design, Project Management, assurance, quality control etc). Transparency on the costs to be provided as part of the connection offer as per the current Section 15 process.
3. Process of how to request contestable works – stated as part of a Mod-App or new application as per CUSC Section 6.xxx
   * To be included in the application form that they wish to undertake the contestable works (to be discussed further with Connections Team – impact on updates for the application form; impact on their process). Also included in the Scheme Briefing Note (SBN) between ESO and TO (STCP change?)
   * Offers provided (special T&Cs to be included need to be developed & App J milestones)
   * Specific clauses added to Construction Agreement to accommodate a request for Contestable Works.
4. Approval of User, The Company and relevant Transmission Owner
   * Principles of when/how this approval is withheld? (We have assumed that the process is veto rather than approval.)
   * What happens if there’s a disagreement?
   * The process where the TO has the ability to take over in certain circumstances, details to be provided within the adoption agreement. The principles covered to be stated (e.g. including do not disadvantage any User as a result of taking over the build)
   * Affected parties will be notified by Mod-Notice process as per CUSC 6.9.3
   * The ownership of assets remains with User unless and until provisions in adoption agreement are met to transfer ownership to TO.
5. Adoption Agreement to contain details such as:
   * Terminations and Delays – principles level, detail in contract between User and TO.
   * Ability for TO to step in – principles on how this will happen. E.g. it can be mid-way through construction
   * Details captured in an agreement between User and TO directly
   * Warranty arrangements
   * Timescales and resolution management
   * Technical standards that need to be met
   * Ownership arrangements up to completion

Some connection activities may be undertaken by the User. The activities are the provision and/or construction of ‘Single User Assets’ (including the financing of these assets) for the adoption of the Relevant Transmission Licensee. While some Users have been keen to see contestability wherever possible, contestability should not prejudice system integrity, security and safety. These concerns have shaped the terms that are offered for contestability in construction and maintenance within the CUSC.

Users have the option to provide and/or construct Single User Assets if they wish. Single User Assets are different to other classification of assets described in the CUSC as they describe how these assets are built, not how they are charged (i.e. a Single User Asset may also be a Transmission Connection Asset). The delivery of Singe User Assets by a User will not impact upon any other part of CUSC and provisions in the CUSC and/or Adoption Agreement will manage this.

Formal arrangements for Users exercising this choice are available and should be requested as part of a new application (as per CUSC ref 2.13) or a Modification Application (as per CUSC ref 6.9.2) whereby the Bilateral Agreement and/or the Construction Agreement will be updated to reflect this choice.

The option for the User to provide and/or construct Single User Assets will be at the discretion of The Company and the Relevant Transmission Licensee in order to maintain system integrity, security and safety. Permission to procure and/or construct the Singe User Assets will not be unreasonably withheld and justification provided should this permission be withheld. This does not affect the right of the User to raise a dispute as per CUSC Section 7.4 and/or the provisions of a Construction Agreement.

Adoption Agreement

A User wishing to provide and/or construct Single User Assets will also be required to contract directly with the Relevant Transmission Licensee via an Adoption Agreement’, this contract will cover key details such as the specification of the assets built, warranties and key processes, more details of this can be made available by The Company or Relevant Transmission Licensee upon request. The User shall not be allowed to complete their connection to the NETS until any Singe User Assets have been transferred to the Relevant Transmission Licensee.

The Relevant Transmission Licensee will have the right (as per the contract entered into between the User and the Relevant Transmission Licensee) to reclaim some aspects of the Sole User Works in certain scenarios (e.g. should the works be required by multiple parties or the works impact upon a Third Party) and details will be captured in the Adoption Agreement. Should this occur, The Company shall notify the User via a Modification Notice as per CUSC Section 6.9.3. Ownership of the Single User Assets will remain with the User until such a point that this is transferred to the Relevant Transmission Licensee as per the Adoption Agreement.

Should there be a disagreement, this shall be classed as an Other Dispute and the provisions as per CUSC section 7.4 will apply.

**New Definitions**

Single User Assets = Plant and Apparatus that will be procured and/or constructed by a User only for use by that User where the ownership of said Plant and Apparatus which will be transferred to a Relevant Transmission Licensee.

Adoption Agreement = an agreement entered in to by a User and Relevant Transmission Licensee for the provision and/or construction of Single User Assets by the User for adoption of ownership by the Relevant Transmission Licensee