

## **CUSC - SECTION 11**

### **INTERPRETATION AND DEFINITIONS**

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## **SECTION 11**

### **INTERPRETATION AND DEFINITIONS**

#### **11.1 INTRODUCTION**

This Section sets out general rules to be applied in interpreting the **CUSC**, **Bilateral Agreements**, **Construction Agreements** and **Mandatory Services Agreements**. It also sets out the defined terms used by the **CUSC** (other than those defined elsewhere in the **CUSC**) and other agreements. Those other agreements may, in accordance with Paragraph 11.2.2, have their own further interpretation rules and defined terms which apply only to the individual agreements.

#### **11.2 INTERPRETATION AND CONSTRUCTION:**

11.2.1 In the **CUSC** and in each **Bilateral Agreement** and in each **Mandatory Services Agreement** and each **Construction Agreement**:

- (a) the interpretation rules in this Paragraph 11.2; and
- (b) the words and expressions defined in Paragraph 11.3,

shall, unless the subject matter or context otherwise requires or is inconsistent therewith, apply.

11.2.2 Save as otherwise expressly provided in the **CUSC**, in the event of any inconsistency between the provisions of any **Bilateral Agreement**, **Mandatory Services Agreement** or **Construction Agreement** and the **CUSC**, the provisions of the **Bilateral Agreement** or **Mandatory Services Agreement** or **Construction Agreement** shall prevail in relation to the **Connection Site** which is the subject thereof to the extent that the rights and obligations of **Users** not party to that **Bilateral Agreement**, **Mandatory Services Agreement** or **Construction Agreement** are not affected.

11.2.3 If in order to comply with any obligation in the **CUSC**, any **Bilateral Agreement** or any **Construction Agreement** any **CUSC Party** is under a duty to obtain the consent or approval (including any statutory licence or permission) ("the **Consent**") of a third party (or the **Consent** of another **CUSC Party**) such obligation shall be deemed to be subject to the obtaining of such **Consent** which the **CUSC Party** requiring the **Consent** shall use its reasonable endeavours to obtain including (if there are reasonable grounds therefor) pursuing any appeal in order to obtain such **Consent**.

11.2.4 If such **Consent** is required from any **CUSC Party** then such **CUSC Party** shall grant such **Consent** unless it is unable to do so or it would be unlawful for it to do so provided that such grant by such **CUSC Party** may be made subject to such reasonable conditions as such **CUSC Party** shall reasonably determine.

- 11.2.5 For the avoidance of doubt if the **CUSC Party** who is under a duty to obtain such **Consent** fails to obtain such **Consent** having complied with this Paragraph 11.2 the obligation on that **CUSC Party** (in relation to which such **Consent** is required) shall cease.
- 11.2.6 In the **CUSC** and in each **Bilateral Agreement** and in each **Mandatory Services Agreement** and each **Construction Agreement**:
- (a) unless the context otherwise requires all references to a particular Paragraph, Part, Section, Schedule or Exhibit shall be a reference to that Paragraph, Part, Section, Schedule or Exhibit in or to the **CUSC** and all references to a particular Appendix shall be a reference to that Appendix to a **Bilateral Agreement** or **Mandatory Services Agreement** or **Construction Agreement** (as the case may be);
  - (b) a table of contents and headings are inserted for convenience only and shall be ignored in construing the **CUSC** or a **Bilateral Agreement**, **Construction Agreement** or **Mandatory Services Agreement** as the case may be;
  - (c) references to the words "include" or "including" are to be construed without limitation to the generality of the preceding words;
  - (d) unless the context otherwise requires any reference to an Act of Parliament or any part or section or other provision of or schedule to an Act of Parliament shall be construed, at the particular time, as including a reference to any modification, extension or re-enactment thereof then in force and to all instruments, orders or regulations then in force and made under or deriving validity from the relevant Act of Parliament; and
  - (e) references to the masculine shall include the feminine and references in the singular shall include the plural and vice versa and words denoting persons shall include any individual, partnership, firm, company, corporation, joint venture, trust, association, organisation or other entity, in each case whether or not having separate legal personality.
- 11.2.7 In the case of **OTSDUW Build**, if the **Transmission Interface Site** is **Operational** prior to the **OTSUA Transfer Time** the **User's Equipment** will be connected to the **National Electricity Transmission System** through the connection of the **OTSUA** to the **National Electricity Transmission System** at the **Transmission Interface Point** until the **OTSUA Transfer Time**. In such case and until the **OTSUA Transfer Time**, where provisions of the **CUSC** apply in relation to (a) **User's Equipment**; such provisions and references to **User's Equipment** shall be construed where the context requires as being instead references to or including (as the context requires) **OTSUA** unless the context otherwise requires; and (b) **User's Equipment** by reference to the **Connection Site**; such provisions and references to **User's Equipment** and **Connection Site** in the **CUSC** shall be construed as being instead references to or including (as the context requires) **OTSUA** and **Transmission Interface Site** respectively unless the context otherwise requires;

11.2.8 Obligations on **The Company** shall be interpreted as obligations to procure that the **Relevant Transmission Licensee** fulfils such obligations, where relevant.

### 11.3 DEFINITIONS

The following terms shall have the following meanings:

<b>"10 Clear Days"</b>	defined as 10 complete periods of 24 hours from 00:00hrs to 24:00hrs;
<b>"ABSVD Methodology Statement"</b>	the document entitled "Applicable Balancing Services Volume Data Methodology Statement", as published by <b>The Company</b> as the same may be amended from time to time;
<b>"Accession Agreement"</b>	an agreement in or substantially in the form of Exhibit A to the <b>CUSC</b> whereby an applicant accedes to the <b>CUSC Framework Agreement</b> ;
<b>"Acceptance Volume"</b>	as defined in the <b>Balancing and Settlement Code</b> ;
<b>"Act"</b>	the Electricity Act 1989;
<b>"Active Power"</b>	the product of voltage and the in-phase component of alternating current measured in units of watts and standard multiples thereof i.e.  <div style="margin-left: 40px;"> 1000 watts = 1kW  1000 kW = 1MW  1000 MW = 1GW  1000 GW = 1TW; </div>
<b>"Actual Amount"</b>	as defined in Paragraph 3.13;
<b>"Actual Attributable Works Cancellation Charge"</b>	where the <b>Attributable Works Cancellation Charge</b> is calculated in accordance with Paragraph 3.5.2 of Part Two of the <b>User Commitment Methodology</b> ;
<b>"Additional Load"</b>	<b>Site Load</b> other than <b>Station Load</b> and importing <b>Generating Units</b> for processes other than the production of electricity;
<b>"Additional Scheduling Data"</b>	as defined in the <b>Grid Code</b> on the day prior to the <b>NETA Go-live Date</b> ;
<b>"Adjusted LDTEC Profile"</b>	the <b>LDTEC Profile</b> as adjusted by the MW cap specified by the <b>User</b> in its acceptance of the <b>LDTEC Block Offer</b> in accordance with <b>CUSC</b> Paragraph 6.32.6.4;
<b>"Adjustment Revenue"</b>	A positive or negative adjustment to overall Generator TNUoS charges to ensure compliance with the Limiting Regulation.

<b>“Adjustment Tariff”</b>	The non locational £/kW tariff that applies Adjustment Revenue to Generators liable for TNUoS charges to ensure compliance with the Limiting Regulation.
<b>"Affected User"</b>	<p>a <b>User</b>:</p> <p>a) with <b>Transmission Entry Capacity</b> for the <b>Connection Site</b> against which the affected <b>Export BM Unit</b> or <b>Associated Export BM Unit BM Unit</b> is registered and who is paying or in receipt of generator <b>Transmission Network Use of System Charges</b> by reference to such <b>Transmission Entry Capacity</b>; or</p> <p>b) an <b>Interconnector Owner</b>;</p>
<b>"Affiliate"</b>	in relation to <b>The Company</b> (and in relation to Paragraphs 3.6.9.8, 6.14, 8A.3.1.2 and 8A.4.2.2, any <b>User</b> ) means any holding company or subsidiary of <b>The Company</b> (or the <b>User</b> as the case may be) or any subsidiary of a holding company of <b>The Company</b> (or the <b>User</b> as the case may be), in each case within the meaning of sections 736, 736A and 736B of the Companies Act 1985 as substituted by section 144 of the Companies Act 1989;
<b>“AF Rules”</b>	has the meaning given to “allocation framework” in section 13(2) of the Energy Act 2013
<b>“Agency”</b>	means the Agency for the Cooperation of the Energy Regulators established under 2009/713/EC of the European Parliament and of the Council of the 13 July 2009 establishing an Agency for the Cooperation of Energy Regulators as amended from time to time;
<b>"Agency Business"</b>	any business of <b>The Company</b> or any <b>Affiliate</b> or <b>Related Undertaking</b> in the purchase or other acquisition or sale or other disposal of electricity as agent for any other <b>Authorised Electricity Operator</b> ;
<b>"Agreed Ancillary Services"</b>	<b>Part 2 System Ancillary Services</b> and <b>Commercial Ancillary Services</b> ;
<b>"Agreed Value"</b>	the value attributed by <b>The Company</b> to the form of security provided that if <b>The Company</b> and the <b>User</b> cannot agree on such value then the value will be determined by an expert appointed by <b>The Company</b> and the <b>User</b> or, failing their agreement as to the expert, the expert nominated by the Director General of The Institute of Credit Management;
<b>"Alternate Election Process"</b>	as defined in Paragraph 8A.4.4.2;
<b>"Alternate Member(s)"</b>	persons appointed as such pursuant to Paragraph 8.7.2;

"Alternate Member Interim Vacancies"	as defined in Paragraph 8A.4.3.3;
"Allowed Interruption"	<p>shall mean an <b>Interruption</b> as a result of any of the following:</p> <ul style="list-style-type: none"> <li>a) an <b>Event</b> other than an <b>Event</b> on the <b>National Electricity Transmission System</b>;</li> <li>b) an event of <b>Force Majeure</b> pursuant to Paragraph 6.19 of the <b>CUSC</b>;</li> <li>c) <ul style="list-style-type: none"> <li>(i) a <b>Total Shutdown</b></li> <li>(ii) a <b>Partial Shutdown</b>, but only for any period of <b>Interruption</b> which coincides with a <b>Market Suspension Period</b>;</li> </ul> </li> <li>d) action taken under the <b>Fuel Security Code</b>;</li> <li>e) <b>Disconnection</b> or <b>Deenergisation</b> by or at the request of <b>The Company</b> under Section 5 of the <b>CUSC</b>, except in the case of an <b>Emergency Deenergisation Instruction</b>;</li> <li>f) the result of a direction of the Authority or <b>Secretary of State</b>;</li> <li>g) tripping of the <b>User's Circuit Breaker(s)</b> following receipt of a signal from a <b>System to Generator Operational Intertripping Scheme</b> which has been armed in accordance with Paragraph 4.2A.2.1(b).</li> </ul> <p>or if provided for in a <b>Bilateral Agreement</b> with the affected <b>User</b>;</p>
"Ancillary Services"	<b>System Ancillary Services</b> and/or <b>Commercial Ancillary Services</b> as the case may be;
"Ancillary Services Agreement"	an agreement between <b>The Company</b> and a <b>User</b> or other person to govern the provision of and payment for one or more <b>Ancillary Services</b> , which term shall include without limitation a <b>Mandatory Services Agreement</b> ;
"Annual Average Cold Spell (ACS) Conditions"	a particular combination of weather elements which gives rise to a level of peak <b>Demand</b> within an <b>The Company Financial Year</b> which has a 50% chance of being exceeded as a result of weather variation alone;
"Annual Wider Cancellation Amount Statement"	the statement published by <b>The Company</b> each <b>Financial Year</b> in accordance with the <b>User Commitment Methodology</b> ;
"Apparatus"	all equipment in which electrical conductors are used, supported or of which they may form a part;
"Apparent Power"	As defined in the <b>Grid Code</b>
"Applicant"	a person applying for connection and/or use of system under the <b>CUSC</b> ;

"Applicable CUSC Objectives"	as defined in the <b>ESO Licence</b> ;
"Applicable Value"	the highest contractual <b>Transmission Entry Capacity</b> figure for year "t" provided to <b>The Company</b> up to and including 31 October in year "t-1" for publication in the October update of the <b>Electricity Ten Year Statement</b> ;
"Application for a STTEC"	an application made by a <b>User</b> in accordance with the <b>Offer</b> " Paragraph 6.31 for <b>Short Term Capacity</b> for a <b>STTEC Period</b> ;
"Approved Agency"	the panel of three independent assessment agencies appointed by <b>The Company</b> and other network operators from time to time for the purpose of providing <b>Independent Credit Assessments</b> details of such agencies to be published on the <b>The Company Website</b> ;
"Approved CUSC Modification"	as defined in Paragraph 8.23.7;
"Approved CUSC Modification Fast Track Proposal"	as defined in Paragraph 8.29.7, provided that no objection is received pursuant to Paragraph 8.29.12;
"Approved CUSC Modification Self-Governance Proposal"	as defined in Paragraph 8.25.10;
"Applicable Balancing Services Volume Data"	has the meaning given in the <b>Balancing and Settlement Code</b> .
"Approved Credit Rating"	a long term debt rating of not less than BB- by Standard and Poor's Corporation or a rating not less than Ba3 by Moody's Investor Services, or a short term rating which correlates to those long term ratings, or an equivalent rating from any other reputable credit agency approved by <b>The Company</b> ; or such other lower rating as may be reasonably approved by <b>The Company</b> from time to time
<b>Assimilated Law</b>	has the same meaning as that given by section 6(7) of the European Union (Withdrawal) Act 2018;
"Associated DNO Construction Agreement"	a <b>Construction Agreement</b> between <b>The Company</b> and a <b>User</b> in the category of a <b>Distribution System</b> directly connected to the <b>National Electricity Transmission System</b> in respect of works required on the <b>National Electricity Transmission System</b> as a consequence of the connection of <b>Distributed Generation</b> to the <b>Distribution System</b> ;
"Associated Export BM Unit"	an <b>Export BM Unit</b> where: <ul style="list-style-type: none"> <li>(i) that <b>Export BM Unit</b> and an <b>Import BM Unit</b> are comprised in the <b>User's Equipment</b> are both registered as being associated with each other by being listed in <b>Appendix C</b> of the same</li> </ul>

**Bilateral Connection Agreement; and**

the **Import BM Unit** is **Deenergised** and as a direct consequence of the **Deenergisation** of the **Import BM Unit** the **Export BM Unit** is also **Deenergised**;

"Attributable Works"	those components of the <b>Construction Works</b> which are required (a) to connect a <b>Power Station</b> or <b>Interconnector</b> which is to be connected at a <b>Connection Site</b> to the nearest suitable <b>MITS Node</b> ; or (b) in respect of an <b>Embedded Power Station</b> from the relevant <b>Grid Supply Point</b> to the nearest suitable <b>MITS Node</b> ; (and in any case above where the <b>Construction Works</b> include a <b>Transmission</b> substation that once constructed will become the <b>MITS Node</b> , the <b>Attributable Works</b> will include such <b>Transmission</b> substation) but excluding in each case (a) and (b) any <b>[Excepted Works]</b> , and which in relation to a particular <b>User</b> are as specified in its <b>Construction Agreement</b> ;
"Attributable Works Cancellation Charge"	the component of the <b>Cancellation Charge</b> which applies on and after the <b>Trigger Date</b> and prior to the <b>Charging Date</b> as more particularly described in Part Two of the <b>User Commitment Methodology</b> ;
"Attributable Works Capital Cost"	means the fees, expenses and costs of whatever nature reasonably and properly incurred or due in respect of each component within the <b>Attributable Works</b> ;
"Authorised Recipient"	in relation to any <b>Protected Information</b> , means any <b>Business Person</b> who, before the <b>Protected Information</b> had been divulged to them by <b>The Company</b> or any <b>Subsidiary</b> of <b>The Company</b> , had been informed of the nature and effect of Paragraph 6.15.1 and who requires access to such <b>Protected Information</b> for the proper performance of their duties as a <b>Business Person</b> in the course of <b>Permitted Activities</b> ;
"Authority"	the Director General of Electricity Supply appointed for the time being pursuant to section 1 of the <b>Act</b> or, after the coming into force of section 1 of the Utilities Act 2000, the Gas and Electricity Markets Authority established by that section;
"Available LDTEC"	is the level of MW for an <b>LDTEC Week</b> as notified by <b>The Company</b> to a <b>User</b> in (in the case of the first seven <b>LDTEC Weeks</b> ) the <b>LDTEC Indicative Block Offer</b> and for subsequent <b>LDTEC Weeks</b> in an <b>LDTEC Availability Notification</b> ;
"Back Stop Date"	in relation to an item of <b>Derogated Plant</b> , the date by which it is to attain its <b>Required Standard</b> , as specified in or pursuant to the relevant <b>Derogation</b> ;
"Balancing and Settlement Code" or "BSC"	as defined in the <b>ESO Licence</b> ;
"Balancing Code" or "BC"	as defined in the <b>Grid Code</b> ;



"Balancing Mechanism"	as defined in the <b>ESO Licence</b> ;
"Balancing Services"	as defined in the <b>ESO Licence</b> ;
"Balancing Services Activity"	as defined in the <b>ESO Licence</b> ;
"Balancing Services Agreement"	an agreement between <b>The Company</b> and a <b>User</b> or other person governing the provision of and payment for one or more <b>Balancing Services</b> ;
"Balancing Services Use of System Charges"	the element of <b>Use of System Charges</b> payable in respect of the <b>Balancing Services Activity</b> ;
"Balancing Services Use of System Charges Forecast Information"	<b>The Company's</b> estimate of the average expected <b>Balancing Services Use of System Charges</b> for each month in the <b>Current Financial Year</b> and each month of the following <b>Financial Year</b> .
"Balancing Services Use of System Reconciliation Statement"	as defined in Paragraph 3.15.1;
"Balancing Services Use of System Working Capital Facility"	the component of the working capital facility, which is capped to a level as agreed between <b>The Company</b> and <b>The Authority</b> , available to <b>The Company</b> which is ringfenced for the purposes of <b>BSUoS Charges</b> ;
"Bank Account"	<p>a bank account in the name of <b>The Company</b> at such branch of Barclays Bank PLC, or such branch of any other bank, in the City of London as is notified by <b>The Company</b> to the <b>User</b> in which deposits of principal sums from the <b>User</b> shall be ascertainable, bearing interest from (and including) the date of deposit of principal sums to (but excluding) the date of withdrawal of principal sums from such account, mandated for withdrawal of principal solely by <b>The Company</b> against delivery of a <b>Notice of Drawing</b> for the amount demanded therein and mandated for the transfer of any interest accrued to the <b>Bank Account</b> to such account to:</p> <p>a) an associated bank account in the name of <b>The Company</b> in which the interest accruing in respect of the principal sums deposited by the <b>User</b> shall be ascertainable; or</p> <p>b) such bank account as the User may specify;</p>
"Base Rate"	in respect of any day, the rate per annum which is equal to the base lending rate from time to time of Barclays Bank PLC as at the close of business on the immediately preceding <b>Business Day</b> ;
"Base Value at Risk"	the sum of <b>HH Base Value at Risk</b> , <b>NHH Base Value at Risk</b> , <b>FDSC Base Value at Risk</b> and the <b>UMS Base Value at Risk</b> .

"BELLA Application"	an application for a <b>BELLA</b> in the form or substantially in the form set out in Exhibit Q;
"BELLA Offer"	an offer for a <b>BELLA</b> in the form or substantially the form set out in Exhibit R including any revision or extension of such offer;
"Bi-annual Estimate"	an estimate pursuant to Paragraph 2.21.2 of all payments to be made or which may be required to be made by the <b>User</b> in any relevant period, such estimate to be substantially in the form set out in Exhibit L to the <b>CUSC</b> ;
"Bid"	as defined in the <b>Balancing and Settlement Code</b> ;
"Bid-Offer Acceptance"	as defined in the <b>Balancing and Settlement Code</b> ;
"Bid-Offer Volume"	as defined in the <b>Balancing and Settlement Code</b> ;
"Bilateral Agreement"	in relation to a <b>User</b> , a <b>Bilateral Connection Agreement</b> or a <b>Bilateral Embedded Generation Agreement</b> , or a <b>BELLA</b> or a <b>Virtual Lead Party Agreement</b> between <b>The Company</b> and the <b>User</b> ;
"Bilateral Connection Agreement"	an agreement entered into pursuant to Paragraph 1.3.1 a form of which is set out in Exhibit 1 to <b>Schedule 2</b> ;
"Bilateral Embedded Generation Agreement"	an agreement entered into pursuant to Paragraph 1.3.1, a form of which is set out in Exhibit 2 to <b>Schedule 2</b> ;
"Bilateral Embedded Licence exemptable Large power station Agreement" or "BELLA"	an agreement in respect of an <b>Embedded Exemptable Large Power Station</b> entered into pursuant to Paragraph 1.3.1, a form of which is set out in Exhibit 5 to <b>Schedule 2</b> ;
"Bilateral Insurance Policy"	a policy of insurance taken out by the <b>User</b> with a company in the business of providing insurance who meets the <b>Requirements</b> for the benefit of <b>The Company</b> and upon which <b>The Company</b> can claim if the circumstances set out in <b>CUSC</b> Paragraph 5.3.1(b) (i) to (v) arise in respect of such <b>User</b> and which shall provide security for the <b>Agreed Value</b> . In addition <b>The Company</b> may accept such a policy from such a company who does not meet the <b>Requirements</b> up to an <b>Agreed Value</b> where <b>The Company</b> agrees or where <b>The Company</b> does not agree as determined by an expert appointed by <b>The Company</b> and the <b>User</b> or failing their agreement as to the expert the expert nominated by the Director General of The Institute of Credit Management;
"Block LDTEC"	is at any given time the lower of the MW figure in the <b>LDTEC Profile</b> or <b>Adjusted LDTEC Profile</b> for an <b>LDTEC Period</b> ;
"BM Unit"	as defined in the <b>Balancing and Settlement Code</b> ;

"BM Unit Identifiers"	the identifiers (as defined in the <b>Balancing and Settlement Code</b> ) of the <b>BM Units</b> ;
"BM Unit Metered Volume"	as defined in the <b>Balancing and Settlement Code</b> ;
"Boundary Point Metering System"	as defined in the <b>Balancing and Settlement Code</b> ;
"British Grid Systems Agreement"	the agreement made on 30 March 1990 of that name between <b>The Company</b> , Scottish Hydro Electric plc, and Scottish Power plc;
"BSC Agent"	as defined in the <b>Balancing and Settlement Code</b> ;
"BSC Framework Agreement"	as defined in the <b>ESO Licence</b> ;
"BSC Panel"	the Panel as defined in the <b>Balancing and Settlement Code</b> ;
"BSC Party"	a person who is for the time being bound by the <b>Balancing and Settlement Code</b> by virtue of being a party to the <b>BSC Framework Agreement</b> ;
"Business Day"	any week-day other than a Saturday on which banks are open for domestic business in the City of London;
"Business Person"	any person who is a <b>Main Business Person</b> or a <b>Corporate Functions Person</b> and " <b>Business Personnel</b> " shall be construed accordingly;
"Cancellation Charge"	the charge payable by certain <b>Users</b> in the event of termination of a <b>Bilateral Connection Agreement</b> or <b>Bilateral Embedded Generation Agreement</b> or <b>Construction Agreement</b> or a reduction in <b>Transmission Entry Capacity</b> or a reduction in <b>Interconnector User Commitment Capacity</b> or a reduction in <b>Developer Capacity</b> as calculated in accordance with the <b>User Commitment Methodology</b> ;
"Cancellation Charge Profile"	the profile as applied to the <b>Fixed Attributable Works Cancellation Charge</b> and <b>Wider Cancellation Charge</b> in accordance with Part Two of the <b>User Commitment Methodology</b> ;
"Cancellation Charge Secured Amount"	the amount to be secured by a <b>User</b> from the start of and during a <b>Security Period</b> as such amount is applied and calculated in accordance with Part Three of the <b>User Commitment Methodology</b> ;
"Cancellation Charge Secured Statement"	the statement issued by <b>The Company</b> to a <b>User</b> in accordance with Part Two of the <b>User Commitment Methodology</b> showing the <b>Cancellation Charge Secured Amount</b> for a given <b>Security Period</b> such statement to be in substantially the form set out in Exhibit MM2 to the <b>CUSC</b> ;

<b>"Cancellation Charge Shortfall"</b>	the difference between (a) the <b>Cancellation Charge Secured Amount</b> (or such higher sum as paid by the <b>Developer</b> to the <b>User</b> in respect of the <b>Cancellation Charge</b> ) and (b) the <b>Cancellation Charge</b> payable by the <b>User</b> ;
<b>"Cancellation Charge Statement"</b>	the statement issued by <b>The Company</b> to a <b>User</b> in accordance with Part Two of the <b>User Commitment Methodology</b> such statement to be in substantially the form set out in Exhibit MM1 to the <b>CUSC</b> ;
<b>"CAP 179 Implementation Date"</b>	shall mean the date specified as the <b>Implementation Date</b> in the direction issued by the <b>Authority</b> approving <b>CUSC Amendment Proposal 179</b> (Prevention of Timing Out of Authority Decisions on Amendment Proposals);
<b>"Capability Payment"</b>	as defined in Paragraph 4.2A.4(a)(i);
<b>"Capacity Market Documents"</b>	The <b>Capacity Market Rules</b> , The Electricity Capacity Regulations 2014 and any other Regulations made under Chapter 3 of Part 2 of the Energy Act 2013 which are in force from time to time;
<b>"Capacity Market Rules"</b>	The rules made under section 34 of the Energy Act 2013 as modified from time to time in accordance with that section and The Electricity Capacity Regulations 2014;
<b>"Category 1 Intertripping Scheme"</b>	as defined in the <b>Grid Code</b> ;
<b>"Category 2 Intertripping Scheme"</b>	as defined in the <b>Grid Code</b> ;
<b>"Category 3 Intertripping Scheme"</b>	as defined in the <b>Grid Code</b> ;
<b>"Category 4 Intertripping Scheme"</b>	as defined in the <b>Grid Code</b> ;
<b>"CCGT Unit"</b>	a <b>Generating Unit</b> within a <b>CCGT Module</b> ;
<b>"Central Volume Allocation"</b>	as defined in the <b>Balancing and Settlement Code</b> ;
<b>"CfD Administrative Parties"</b>	The Secretary of State, a <b>CfD Counterparty</b> and any <b>CfD Settlement Services Provider</b> ;
<b>"CfD Counterparty"</b>	a person designated as a "CfD counterparty" under section 7(1) of the Energy Act 2013;
<b>"CfD Documents"</b>	the <b>AF Rules</b> , The Contracts for Difference (Allocation) Regulations 2014, The Contracts for Difference (Definition of Eligible Generator) Regulations 2014 and The Contracts for Difference (Electricity Supplier Obligations)

Regulations 2014 and any other regulations made under Chapter 2 of Part 2 of the Energy Act 2013 which are in force from time to time;

**“CfD Settlement Services Provider”**

means any person:

- (i) appointed for the time being and from time to time by a **CfD Counterparty**; or
- (ii) who is designated by virtue of Section C1.2.1B of the **Balancing and Settlement Code**,

in either case to carry out any of the CFD settlement activities (or any successor entity performing CFD settlement activities);

**“Charges for Physical Assets Required for Connection”**

shall mean charges paid by producers for physical assets required for connection to the system or the upgrade of the connection.

**“Charging Band”**

a band containing sites from one of the **Residual Charging Groups** created for the purpose of **Transmission Demand Residual** charging in accordance with 14.15.137 of the **Connection and Use of System Code**;

**“Charging Date”**

as defined in the **Construction Agreement**;

**“Charging Dispute”**

as defined in Paragraph 7.2.1;

**“Charging Methodologies”**

- (a) the **Use of System Charging Methodology**; and/or
- (b) the **Connection Charging Methodology**;

**“Charging Statements”**

the **Statement of the Connection Charging Methodology**, the **Statement of the Use of System Charging Methodology**, and the **Statement of Use of System Charges**;

**“Circuit Breaker”**

a mechanical switching device, capable of making, carrying and breaking currents under normal circuit conditions and also of making, carrying for a specified time and breaking currents under specified abnormal circuit conditions, such as those of short circuit;

**“Citizens Advice”**

Means the National Association of Citizens Advice Bureaux

**“Citizens Advice Scotland”**

Means the Scottish Association of Citizens Advice Bureaux

**“CM Administrative Parties”**

the **Secretary of State**, the **CM Settlement Body**, and any **CM Settlement Services Provider**;

**“CMRS”**

as defined in the **Balancing and Settlement Code**;

<b>"CM Settlement Body"</b>	the Electricity Settlements Company Ltd or such other person as may from time to time be appointed as Settlement Body under regulation 80 of the Electricity Capacity Regulations 2014;
<b>"CM Settlement Services Provider"</b>	any person with whom the <b>CM Settlement Body</b> has entered into a contract to provide services to it in relation to the performance of its functions under the <b>Capacity Market Documents</b> ;
<b>"Code Administration Code of Practice"</b>	the code of practice approved by the <b>Authority</b> and:  (a) developed and maintained by the code administrators in existence from time to time;  (b) amended subject to the <b>Authority's</b> approval from time to time; and  (c) re-published from time to time;
<b>"Code Administrator"</b>	<b>The Company</b> carrying out the role of Code Administrator pursuant to Section 8;
<b>"Code of Practice"</b>	as defined in the <b>Balancing and Settlement Code</b> ;
<b>"Combined Cycle Gas Turbine Module" or "CCGT Module"</b>	a collection of <b>Generating Units</b> (registered under the <b>Grid Code PC</b> ) comprising one or more <b>Gas Turbine Units</b> (or other gas based engine units) and one or more <b>Steam Units</b> where, in normal operation, the waste heat from the <b>Gas Turbine Units</b> is passed to the water/steam system of the associated <b>Steam Units</b> and where the component units within the <b>CCGT Module</b> are directly connected by steam or hot gas lines to enable those units to contribute to the efficiency of the combined cycle operation of the <b>CCGT Module</b> ;
<b>"Commercial Ancillary Services"</b>	as defined in the <b>Grid Code</b> ;
<b>"Commercial Boundary"</b>	(unless otherwise defined in the relevant <b>Mandatory Services Agreements</b> ), the commercial boundary between either <b>The Company</b> or a <b>Public Distribution System Operator</b> (as the case may be) and the <b>User</b> at the higher voltage terminal of the generator step-up transformer;
<b>"Commercial Services Agreement"</b>	an agreement between <b>The Company</b> and a <b>User</b> or other person to govern the provision of and payment for one or more <b>Agreed Ancillary Services</b> ;
<b>"Commissioned"</b>	in respect of <b>Plant</b> and <b>Apparatus</b> commissioned before the <b>Transfer Date</b> means <b>Plant</b> and <b>Apparatus</b> recognised as having been commissioned according to the commissioning procedures current at the time of commissioning and in respect of <b>Plant and Apparatus</b> commissioned after the <b>Transfer Date</b> means <b>Plant</b> and/or <b>Apparatus</b> certified by the <b>Independent Engineer</b> as having been commissioned in accordance with the relevant <b>Commissioning Programme</b> ;

<b>"Commissioning Programme"</b>	in relation to a particular user, as defined in its <b>Construction Agreement</b> ;
<b>"Commissioning Programme Commencement Date"</b>	as defined in relation to a particular <b>User</b> in the <b>Construction Agreement</b> ;
<b>"Competent Authority"</b>	the <b>Secretary of State</b> , the <b>Authority</b> and any local or national agency, authority, department, inspectorate, minister (including Scottish ministers), ministry, official or public or statutory person (whether autonomous or not) of, or of the government of, the United Kingdom;
<b>"Completion Date"</b>	in relation to a particular <b>User</b> , as defined in its <b>Construction Agreement</b> ;
<b>"Composite Demand Charges"</b>	in respect of a <b>User</b> its <b>Demand</b> related <b>Transmission Network Use of System Charges</b> for each <b>Transmission Network Use of System Demand Zone</b> ;
<b>"Conditional Progression Milestones"</b>	those <b>User Progression Milestones</b> categorised as such in <b>CUSC</b> Section 16;
<b>"Confidential Information"</b>	all data and other information supplied to a <b>User</b> by another <b>CUSC Party</b> under the provisions of the <b>CUSC</b> or any <b>Bilateral Agreement</b> , <b>Construction Agreement</b> or <b>Mandatory Services Agreement</b> ;
<b>"Connect and Manage Arrangements"</b>	the arrangements whereby pursuant to Standard Condition C11 of the <b>ESO Licence</b> and Standard Condition D16 of a <b>Relevant Transmission Licensee's</b> transmission licence connection to and or use of the <b>National Electricity Transmission System</b> is permitted by virtue of a <b>Connect and Manage Derogation</b> on completion of the <b>Enabling Works</b> but prior to completion of the <b>Wider Transmission Reinforcement Works</b> ;
<b>"Connect and Manage Derogation"</b>	means the temporary derogation from the <b>NETS SQSS</b> available to <b>The Company</b> pursuant to Standard Condition E7 of the <b>ESO Licence</b> and/or a <b>Relevant Transmission Licensee</b> pursuant to Standard Condition D3 of its transmission licence;
<b>"Connect and Manage Derogation Criteria"</b>	the criteria detailed as such in <b>CUSC</b> Section 13.2.4;
<b>"Connect and Manage Derogation Report"</b>	the report required to be prepared by <b>The Company</b> and/or a <b>Relevant Transmission Licensee</b> in respect of a <b>Connect and Manage Derogation</b> ;
<b>"Connect and Manage Implementation Date"</b>	means the date which the Secretary of State determines shall be the connect and manage implementation date;
<b>"Connect and Manage Power Station"</b>	means a <b>Power Station</b> which is directly connected to the <b>National Electricity Transmission System</b> or which is <b>Distributed Generation</b> ;

<b>"Connect and Manage Transition Period"</b>	means the period ending 6 months after the <b>Connect and Manage Implementation Date</b> ;
<b>"Connected Planning Data"</b>	in relation to a particular user, as defined in its <b>Construction Agreement</b> ;
<b>"Connection"</b>	a direct connection to the <b>National Electricity Transmission System</b> by a <b>User</b> ;
<b>"Connection Application"</b>	an application for a <b>New Connection Site</b> in the form or substantially in the form set out in Exhibit B to the <b>CUSC</b> ;
<b>"Connection Boundary"</b>	shall be the boundary defined by Paragraph 14.2.6 of the Statement of the Connection Charging Methodology;
<b>"Connection Charges"</b>	charges made or levied or to be made or levied for the carrying out (whether before or after the date on which the <b>ESO Licence</b> comes into force) of works and provision and installation of electrical plant, electric lines and ancillary meters in constructing entry and exit points on the <b>National Electricity Transmission System</b> , together with charges in respect of maintenance and repair of such items in so far as not otherwise recoverable as <b>Use of System Charges</b> , all as more fully described in the <b>ESO Licence</b> , whether or not such charges are annualised, including all charges provided for in the statement of <b>Connection Charging Methodology</b> (such as <b>Termination Amounts</b> and <b>One-off Charges</b> );
<b>"Connection Charging Methodology"</b>	as defined in the <b>ESO Licence</b> and set out in Section 14;
<b>"Connection Conditions" or "CC"</b>	that portion of the <b>Grid Code</b> which is identified as the <b>Connection Conditions</b> ;
<b>"Connection Entry Capacity"</b>	the figure specified as such for the <b>Connection Site</b> and each <b>Generating Units</b> as set out in Appendix C of the relevant <b>Bilateral Connection Agreement</b> ;
<b>"Connection Offer"</b>	an offer or (where appropriate) the offers for a <b>New Connection Site</b> in the form or substantially in the form set out in Exhibit C including any revision or extension of such offer or offers;
<b>"Connection Site"</b>	each location more particularly described in the relevant <b>Bilateral Agreement</b> at which a <b>User's Equipment</b> and <b>Transmission Connection Assets</b> required to connect that <b>User</b> to the <b>National Electricity Transmission System</b> are situated (or, in the case of <b>OTSDUW Build</b> , each location that will become such from the <b>OTSUA Transfer Time</b> and, until the <b>OTSUA Transfer Time</b> , is the location where the <b>User's Equipment</b> connects to the <b>OTSUA</b> ). If two or more <b>Users</b> own or operate <b>Plant</b> and <b>Apparatus</b> which is connected at any particular location that location shall constitute two (or the appropriate number of) <b>Connection Sites</b> ;



<b>"Connection Site Demand Capability"</b>	the capability of a <b>Connection Site</b> to take power to the maximum level forecast by the <b>User</b> from time to time and forming part of the <b>Forecast Data</b> supplied to <b>The Company</b> pursuant to the <b>Grid Code</b> together with such margin as <b>The Company</b> shall in its reasonable opinion consider necessary having regard to <b>The Company's</b> duties under the <b>ESO Licence</b> ;
<b>"Consents"</b>	in relation to a particular <b>User</b> , as defined in its <b>Construction Agreement</b> ;  In relation to any Works:- a) all such planning and other statutory consents; and b) all wayleaves, easements, rights over or interests in land or any other consent; or for commencement and carrying on of any activity proposed to be undertaken at or from such Works when completed c) permission of any kind as shall be necessary for the construction of the Works;
<b>"Construction Agreement"</b>	an agreement entered into pursuant to Paragraph 1.3.2;
<b>"Construction Programme"</b>	in relation to a particular <b>User</b> , as defined in its <b>Construction Agreement</b> ;
<b>"Construction Progression Milestones"</b>	those <b>User Progression Milestones</b> categorised as such in <b>CUSC</b> Section 16;
<b>"Construction Works"</b>	In relation to a particular <b>User</b> , as defined in its <b>Construction Agreement</b> ;
<b>"Consumer Representative"</b>	Means the person appointed by the <b>Citizens Advice</b> or the <b>Citizens Advice Scotland</b> (or any successor body) representing all categories of customers, appointed in accordance with Paragraph 8.4.2(b)
<b>"Consumption"</b>	as defined in the <b>Balancing and Settlement Code</b> in relation to a Consumption BM Unit;
<b>"Control Telephony"</b>	as defined in the <b>Grid Code</b> ;
<b>"Contract Test"</b>	a test (not being a <b>Reactive Test</b> ) described in a <b>Market Agreement</b> ;
<b>"Contract Start Days"</b>	as defined in Paragraph 3.3 of Schedule 3, Part I;
<b>"Core Industry Documents"</b>	as defined in the <b>Transmission Licence</b> ;
<b>"Core Industry Document Owner"</b>	in relation to a <b>Core Industry Document</b> , the body(ies) or entity(ies) responsible for the management and operation of procedures for making changes to such document;

"Corporate Functions Person"	<p>any person who is:</p> <ul style="list-style-type: none"> <li>(a) a director of <b>The Company</b>; or</li> <li>(b) an employee of <b>The Company</b> or any of its subsidiaries carrying out any administrative, finance or other corporate services of any kind which in part relate to the <b>Main Business</b>; or</li> <li>(c) engaged as an agent of or adviser to or performs work in relation to or services for the <b>Main Business</b>;</li> </ul> <p>a payment whose value and timing has been approved by the Authority and which is made by a Licensed Distribution Network Operator as a contribution to the cost of a Transmission infrastructure investment made by a Licensed Transmission Owner that recognises the shared value to the different parties.</p>
"Cost Adjustment"	
"Cost Statement"	as defined in Paragraph 2.14.3;
"Credit Assessment Score"	a score between zero and ten given by an <b>Approved Agency</b> in the <b>Independent Credit Assessment</b> ;
"Credit Assessment Sum"	the proportion of the <b>Unsecured Credit Cover</b> extended by <b>The Company</b> to a <b>User</b> who does not meet the <b>Approved Credit Rating</b> and calculated in accordance with Paragraph 3.26.6;
"Credit Rating"	the credit requirements set by <b>The Company</b> from time to time in relation to <b>Termination Amounts</b> ;
"CUSC"	this <b>Connection and Use of System Code</b> ;
"CUSC Framework Agreement"	as defined in the <b>Transmission Licence</b> ;
"CUSC Implementation Date"	00.01 on the 18 September 2001;
"CUSC Modification Fast Track Proposal"	a proposal to modify the <b>CUSC</b> which is raised pursuant to Paragraph 8.29 and has not yet been approved or rejected by the <b>CUSC Modifications Panel</b> ;
"CUSC Modification Fast Track Report"	a report prepared pursuant to Paragraph 8.29;
"CUSC Modification Procedures"	the procedures for the modification of the <b>CUSC</b> (including the implementation of <b>Approved CUSC Modifications</b> ) as set out in Section 8;
"CUSC Modification Process"	the part of the <b>CUSC Modification Procedures</b> relating to consideration by the <b>CUSC Modifications Panel</b> and <b>Workgroups</b> , consultation by the <b>Workgroups</b> and <b>The Company</b> and preparation of a <b>CUSC Modification Report</b> by the <b>CUSC Modifications Panel</b> ;

"CUSC Modification Proposal"	a proposal to modify the <b>CUSC</b> which is not rejected pursuant to Paragraphs 8.16.5 or 8.16.6 and has not yet been implemented;
"CUSC Modification Register"	as defined in Paragraph 8.13.1;
"CUSC Modification Report"	a report prepared pursuant to Paragraph 8.23;
"CUSC Modification Self-Governance Report"	a report prepared pursuant to Paragraph 8.25;
"CUSC Modifications Panel"	the body established and maintained pursuant to Paragraph 8.3;
"CUSC Modifications Panel Recommendation Vote"	the vote of <b>Panel Members</b> undertaken by the <b>Panel Chairperson</b> in accordance with Paragraph 8.23.4 as to whether in their view they believe each <b>CUSC Modification Proposal</b> , or <b>Workgroup Alternative CUSC Modification</b> would better facilitate achievement of the <b>Applicable CUSC Objective(s)</b> and so should be made;
"CUSC Modifications Panel Self-Governance Vote"	The vote of <b>Panel Members</b> undertaken by the <b>Panel Chairperson</b> in accordance with Paragraph 8.25.9 as to whether they believe each <b>CUSC Modification Proposal</b> , as compared with the then existing provisions of the <b>CUSC</b> and any <b>Workgroup Alternative CUSC Modification</b> set out in the <b>CUSC Modification Self-Governance Report</b> , would better facilitate achievement of the <b>Applicable CUSC Objective(s)</b> ;
"CUSC Party"	as defined in the <b>ESO Licence</b> ;
"Customer"	a person to whom electrical power is provided (whether or not they are the provider of such electrical power) other than power to meet <b>Station Demand</b> of that person;
"Customer Services Team"	the customer services team identified within <b>The Company</b> which manages the commercial interface with parties connected to the transmission network, as identified on the <b>Website</b> ;
"CVA Storage Facility"	is an <b>Electricity Storage Facility</b> that: <ul style="list-style-type: none"> <li>i. performs <b>Electricity Storage</b> as its sole function;</li> <li>ii. is operated by a <b>Storage Facility Operator</b></li> <li>iii. has its imports and exports measured only by <b>Half Hourly Metering Systems</b> which are registered in the <b>Central Meter Registration Service (CMRS)</b>, and as a <b>BM Unit</b> within the <b>Central Registration Service (CRS)</b> and where those <b>Half Hourly Metering Systems</b> only measure activities necessary for performing <b>Electricity Storage</b>;</li> <li>iv. comprises plant and apparatus registered as part of a <b>BM Unit</b> or <b>BM Units</b> which only perform activities necessary for <b>Electricity</b></li> </ul>

- Storage**, and the **BM Units** are listed within a bi-lateral agreement;  
and  
v. is the subject of a valid **Declaration**

<b>"DC Converter"</b>	As defined in the <b>Grid Code</b> ;
<b>"Data Registration Code" or "DRC"</b>	the portion of the <b>Grid Code</b> which is identified as the <b>Data Registration Code</b> ;
<b>"DCLF"</b>	Direct Current Load Flow;
<b>"Declaration"</b>	is a statement to be submitted by the <b>Registrant</b> of the relevant <b>BM Unit(s)</b> or <b>Single Site</b>
<b>"Deemed HH Forecasting Performance"</b>	the sum calculated in accordance with Section 3, Appendix 2 Paragraph 3 as it may be revised in accordance with paragraph 3.22.7.
<b>"Deemed NHH Forecasting Performance"</b>	the sum calculated in accordance with Section 3, Appendix 2 Paragraph 6 as it may be revised pursuant to Paragraph 3.22.8.
<b>"Deenergisation" or "Deenergise(d)"</b>	the movement of any isolator, breaker or switch or the removal of any fuse whereby no electricity can flow to or from the relevant <b>System</b> through the <b>User's Equipment</b> ;
<b>"Defaulting Party"</b>	as defined in Paragraph 4.3.2.11;
<b>"Defendant Party"</b>	as defined in Paragraph 7.5.1;
<b>"Delivering"</b>	as defined in the <b>Balancing and Settlement Code</b> ;
<b>"De-Load"</b>	the difference (expressed in MW) between the <b>Maximum Export Limit</b> and <b>Final Physical Notification Data</b> as adjusted by the <b>Acceptance Volume</b> in respect of a <b>Bid-Offer Acceptance</b> (if any), and <b>"De-Loaded"</b> shall be construed accordingly; except in the case of a <b>Power Park Module</b> , where <b>De-Load</b> is the difference (expressed in MW) between <u>Power Available</u> and the <b>Final Physical Notification Data</b> as adjusted by the <b>Acceptance Volume</b> in respect of a <b>Bid-Offer Acceptance</b> (if any), and <b>"De-Loaded"</b> shall be construed accordingly;
<b>"Demand"</b>	the demand of MW and Mvar of electricity (i.e. both <b>Active Power</b> and <b>Reactive Power</b> ), unless otherwise stated;
<b>"Demand Forecast"</b>	a <b>User's</b> forecast, in accordance with paragraph 14.17.19. of its <b>Demand</b> submitted to <b>The Company</b> in accordance with paragraphs 3.10, 3.11 and 3.12;
<b>"Depreciation Period"</b>	in relation to a <b>Transmission Connection Asset</b> for a particular <b>User</b> , the period which commences on the asset's initial effective charging date, and

which expires after the appropriate duration, which unless otherwise agreed upon connection is 40 years excluding FMS metering electronics that are agreed between the **User** and **The Company**;

**"Derogation"**

means (a) a direction issued by the **Authority** relieving a **CUSC Party** from the obligation under its **Licence** to comply with such parts of the **Grid Code** or any **Distribution Code** or in the case of **The Company** the **ESO Licence** as may be specified in such direction and/or (b) a **Connect and Manage Derogation** as the context requires and "Derogated" shall be construed accordingly;

**"Derogated Plant"**

**Plant** or **Apparatus** which is the subject of a **Derogation**;

**"Design Variation"**

is a connection design (which provides for connection to the **National Electricity Transmission System**) which fails to satisfy the relevant deterministic criteria detailed for an Onshore Connection in paragraphs 2.5 to 2.13 and for an Offshore Connection in 7.7 to 7.19, as appropriate, of the **NETS SQSS**;

**"Designated Information Exchange System"**

as defined in the **Grid Code**;

**"Designated Sum"**

means such sum as shall be directed by the **Authority** as soon as practicable after the determination of an approved **Use of System Charging Methodology**;

**"Designated sum"**

As defined in Standard Condition C13 of the Transmission Licence

**"De-synchronisation"**

the act of taking a **BM Unit** off a **System** to which it has been **Synchronised**, by opening any connecting circuit breaker, and "**De-synchronised**" shall be construed accordingly;

**"Detailed Planning Data"**

detailed additional data which **The Company** requires under the **PC** in support of Standard Planning Data;

**"Developer Capacity"**

the MW figure as specified as such by a **User** in a **BELLA** or in a **Construction Agreement** entered into between **The Company** and a **User** in the category of a **Distribution System** directly connected to the **National Electricity Transmission System** as a consequence of a **Request for a Statement of Works**;

**"Directive"**

includes any present or future directive, requirement, instruction, direction or rule of any **Competent Authority**, (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;

**“Directly-Connected User” or “Directly-Connected Customer”**

A large, usually industrial, consumer of electricity who is directly connected to the **National Electricity Transmission System**;

**"Disconnect" or "Disconnection"**

without prejudice to the interpretation of the terms **"Disconnect"** or **"Disconnection"** to **Users** acting in capacities other than those detailed, the following definitions shall apply:

- (a) for **Users** acting in their capacity as **Generators** with **Embedded Large Power Stations** or **Embedded Medium Power Stations**, passing power on to a **Distribution System** through a connection to a **Distribution System** which had not been commissioned as at the **Transfer Date**, means permanent physical disconnection of the **User's Equipment** at the site of connection to the **Distribution System**;
- (b) for **Users** who are **Trading Parties** (as defined in the **Balancing and Settlement Code**) acting in their capacity as responsible for **Small Power Stations** which are **Embedded**, means, permanent physical disconnection of the **User's Equipment** or **Equipment** for which the **User** is responsible (as defined in Section K of the **Balancing and Settlement Code**) at the site of connection to the **Distribution System**;
- (c) for **Users** acting in a capacity other than those detailed in (a) or (b), means permanent physical disconnection of a **User's Equipment** at any given **Connection Site** which permits removal thereof from the **Connection Site** or removal of all **Transmission Connection Assets** there from (as the case may be);

**"Dispute Resolution Procedure"**

the procedures set out in Section 7;

**"Dispute Statement"**

as defined in Paragraph 3.17.4;

**“Distributed Generation”**

means for the purposes of the **Connect and Manage Arrangements**, Section 6 and Section 15 of the **CUSC**:

- (a) an **Embedded Power Station** which is the subject of a **Bilateral Embedded Generation Agreement**;
- (b) an **Embedded Power Station** which is the subject of a **Bilateral Embedded Licence Exemptable Large Power Station Agreement**;
- (c) a **Relevant Embedded Medium Power Station**;
- (d) a **Relevant Embedded Small Power Station**.

**"Distribution Agreement"**

an agreement entered into by a **User** with the owner/operator of the **Distribution System** for the connection of the **User's Equipment** (or

	equipment for which the <b>User</b> is responsible (as defined in Section K of the <b>Balancing and Settlement Code</b> ) to and use of such <b>Distribution System</b> ;
"Distribution Code(s)"	the <b>Distribution Code(s)</b> drawn up by <b>Public Distribution System Operators</b> pursuant to the terms of their respective <b>Licence(s)</b> as from time to time revised in accordance with those <b>Licences</b> ;
"Distribution Connection Agreement"	in the context of the <b>Distribution Queue Management Process</b> means, as appropriate, the agreements between the owner/operator of a <b>Distribution System</b> and (a) a <b>User</b> for the connection of a <b>User's</b> project to that <b>Distribution System</b> or (b) a developer for the connection of it's project to the <b>Distribution System</b> ;
"Distribution Connection and Use of System Agreement or "DCUSA"	means the Distribution Connection and Use of System Agreement established pursuant to the <b>Distribution Licence</b> as revised from time to time.
"Distribution Interconnector"	as defined in the <b>Balancing and Settlement Code</b> ;
"Distribution Interconnector Owner"	the <b>Owner</b> of a <b>Distribution Interconnector</b> or of that part of a <b>Distribution Interconnector</b> directly connected to a <b>Distribution System</b> ;
"Distribution Licence"	a licence issued under section 6(1)(c) of the <b>Act</b> ;
"Distribution Queue Management Process"	the queue management process adopted by the owner/operator of a <b>Distribution System</b> in respect of connections to the <b>Distribution System</b> ;
"Distribution System"	the system consisting (wholly or mainly) of electric lines owned or operated by any <b>Authorised Electricity Operator</b> and used for the distribution of electricity from <b>Grid Supply Points</b> or generation sets or other entry points to the point of delivery to <b>Customers</b> or <b>Authorised Electricity Operators</b> , and includes any <b>Remote Transmission Assets</b> operated by such <b>Authorised Electricity Operator</b> and any electrical plant and meters owned or operated by the <b>Authorised Electricity Operator</b> in connection with the distribution of electricity, but shall not include any part of the <b>National Electricity Transmission System</b> ;
"Distribution Voltage"	a voltage of 132kV or below in England & Wales. A voltage of below 132kV in Scotland. Generally taken to be voltages lower than those defined as transmission voltages;
"Demand Voting Sub-Group"	all <b>User(s)</b> in a <b>Voting Group</b> who fall within any one or more of the following categories: <ul style="list-style-type: none"> <li>(a) <b>Directly Connected Users</b> with a <b>Bilateral Agreement</b>; and</li> </ul>

	(b) a <b>User</b> with a <b>Bilateral Agreement</b> in respect of a <b>Distribution System</b> ;
"Dormant CUSC Party"	a <b>CUSC Party</b> which does not enjoy any ongoing rights and/or obligations for the period of its dormancy under the <b>CUSC</b> , as provided for in Section 5;
"Downstream Party"	a third party connected to a <b>Non-Embedded Customer's System</b>
"Earthing"	as defined in the <b>Grid Code</b> ;
"EBR Amendment"	means (a) any amendment to contractual arrangements for the provision of and payment for <b>Balancing Services</b> referred to in Section 4.2B5 or (b) any amendment to CUSC which amends the <b>EBR Article 18 Terms or Conditions</b> in, as the case may be, such contractual arrangements or <b>CUSC</b> including to introduce a new provision for the purposes of Article 18 into, as the case may be, such contractual arrangements or <b>CUSC</b> ;
"EBR Article 18 Terms and Conditions"	means terms and conditions which have been approved by the Authority pursuant to and for the purposes of Article 18 of the <b>Electricity Balancing Regulation</b> . In the context of <b>CUSC</b> these terms and conditions are identified for convenience in <b>CUSC</b> Exhibit Y as such Exhibit Y is amended from time to time
"EdF Documents"	as defined in the <b>Balancing and Settlement Code</b> ;
"Election Timetable"	as defined in Paragraph 8A.1.2.1;
"Election Year"	as defined in Paragraph 8A.1.1.2;
"Electricity Arbitration Association"	as the phrase ' <b>Electricity Supply Industry Arbitration Association</b> ' is defined in the <b>Grid Code</b> ;
"Electricity Balancing Regulation"	means the English version of Commission Regulation (EU) 2017/2195 as converted into <b>Assimilated Law</b> ;
"Electricity Generation"	The process of generating electricity by a <b>Generator</b> .
"Electricity Generation Facility"	Is a facility where <b>Electricity Generation</b> occurs as its sole function.
"Electricity Regulation"	means the English version of Commission Regulation (EU) 2019/943 (being the recast of (EU) 714/2009) as converted into <b>Assimilated Law</b>



<b>“Electricity Storage”</b>	The conversion of electrical energy into a form of energy which can be stored, the storing of that energy, and the subsequent reconversion of that energy back into electrical energy.
<b>“Electricity Storage Facility”</b>	is a facility where <b>Electricity Storage</b> occurs as its sole function.
<b>“Electricity System Operator Licence” or “ESO Licence”</b>	means a licence granted or treated as granted under section 6(1)(da) of the Electricity Act 1989;
<b>“Electricity Ten Year Statement (ETYS)”</b>	as defined in the Grid Code,
<b>“Electricity Transmission System Operation Regulation”</b>	means the English version of Commission Regulation (EU) 2017/1485 as converted into <b>Assimilated Law</b> ;
<b>“Electronic Communication Platform”</b>	as defined in the <b>Grid Code</b> ;
<b>“Eligible Services”</b>	Shall mean any <b>Balancing Service</b> or <b>Ancillary Service</b> which imports or exports <b>Reactive Energy</b> but does not result in the production or export of any <b>Active Power</b> to the <b>NETS</b> .
<b>“Eligible Services Facility”</b>	For the purposes of CUSC Section 14 shall mean a <b>Single Site</b> that can only and solely provide <b>Eligible Services</b> to <b>The Company</b> and does not undertake <b>Electricity Storage</b> or <b>Electricity Generation</b> or consume any <b>Active Power</b> other than for the provision of the <b>Eligible Services</b> .
<b>"Embedded"</b>	<p>a direct connection to a <b>Distribution System</b> or the <b>System</b> of any other <b>User</b> to which <b>Customers</b> and/or <b>Power Stations</b> are connected;</p> <p>in the context of the <b>Charging Methodologies</b> it shall mean a direct connection to a <b>Distribution System</b> or the <b>System</b> of any other <b>User</b> to which <b>Customers</b> and/or <b>Power Stations</b> are connected, such connection being either a direct connection or a connection via a busbar of another <b>User</b> or of a <b>Relevant Transmission Licensee</b> (but with no other connection to the <b>National Electricity Transmission System</b>);</p>
<b>"Embedded Generator MW Register"</b>	the Register set up by <b>The Company</b> pursuant to Paragraph 6.35;
<b>"Emergency Deenergisation Instruction"</b>	<p>an instruction issued by <b>The Company</b> to a <b>User</b> to either:</p> <ul style="list-style-type: none"> <li>(a) <b>Deenergise</b> that <b>User's Equipment</b>, or</li> <li>(b) request the owner of the <b>Distribution System to which the User's Equipment</b> or equipment for which that <b>User</b> is responsible (as defined in Section K of the <b>Balancing and Settlement Code</b>) is connected to <b>Deenergise</b> that <b>User's</b></li> </ul>

**Equipment** or equipment for which that **User** is responsible (as defined in Section K of the **Balancing and Settlement Code** or ;

- (c) declare its **Maximum Export Limit** in respect of the **BM Unit(s)** associated with such **User's Equipment** to zero and to maintain it at that level during the **Interruption Period**,

where in **The Company's** reasonable opinion:

- (i) the condition or manner of operation of any **Transmission Plant** and/or **Apparatus** is such that it may cause damage or injury to any person or to the **National Electricity Transmission System**; and
- (ii) if the **User's Equipment** connected to such **Transmission Plant** and/or **Apparatus** was not **Deenergised** and/or the **Maximum Export Limit** of such **User's Equipment** connected to such **Transmission Plant** and/or **Apparatus** was not reduced to zero then it is likely that the **Transmission Plant** and/or **Apparatus** would automatically trip; and
- (iii) if such **Transmission Plant** and/or **Apparatus** had tripped automatically, then
  - (I) the **BM Unit** comprised in such **User's Equipment** (other than an **Interconnector Owner**); or
  - (II) an **Interconnector** of an **Affected User** who is an **Interconnector Owner**,

would, solely as a result of **Deenergisation** of **Plant** and **Apparatus** forming part of the **National Electricity Transmission System**, have been **Deenergised**;

**"Emergency Instruction"**

as defined in the **Grid Code**;

**"EMR Documents"**

means The Energy Act 2013, The Electricity Capacity Regulations 2014, the **Capacity Market Rules**, The Contracts for Difference (Allocation) Regulations 2014, The Contracts for Difference (Definition of Eligible Generator) Regulations 2014, The Contracts for Difference (Electricity Supplier Obligations) Regulations 2014, The Electricity Market Reform (General) Regulations 2014, the **AF Rules** and any other regulations or instruments made under Chapter 2 (contracts for difference), Chapter 3 (capacity market) or Chapter 4 (investment contracts) of Part 2 of the Energy Act 2013 which are in force from time to time;

**"EMR Functions"**

Has the meaning given to "EMR functions" in Chapter 5 of Part 2 of the Energy Act 2013;

<b>“Enabling Works”</b>	those elements of the <b>Transmission Reinforcement Works</b> identified as such in accordance with <b>CUSC</b> Section 13 and which in relation to a particular <b>User</b> are as specified and by its acceptance of the <b>Offer</b> or <b>Modification Offer</b> , agreed by the <b>User</b> in the relevant <b>Construction Agreement</b> ;
<b>"End Date"</b>	shall mean 5.00pm on the date 12 months from (and not including) the <b>Security Amendment -Implementation Date</b> ;
<b>"Energisation" or "Energise(d)"</b>	the movement of any isolator, breaker or switch or the insertion of any fuse so as to enable <b>Energy</b> to flow from and to the relevant <b>System</b> through the <b>User's Equipment</b> (and in the case of <b>OTSDUW Build</b> , the <b>OTSUA</b> prior to the <b>OTSUA Transfer Time</b> );
<b>"Energy"</b>	the electrical energy produced, flowing or supplied by an electric circuit during a time interval, being the integral with respect to time of the power, measured in units of watt-hours or standard multiples thereof i.e.  1000 Wh = 1KWh  1000 KWh = 1MWh  1000 MWh = 1GWh  1000 GWh = 1TWh;
<b>"Energy Metering Equipment"</b>	as the phrase <b>"Metering Equipment"</b> is defined in the <b>Balancing and Settlement Code</b> ;
<b>"Energy Metering System"</b>	as the phrase <b>"Metering System"</b> is defined in the <b>Balancing and Settlement Code</b> ;
<b>"Enforceable"</b>	<b>The Company</b> (acting reasonably) is satisfied that the security is legally enforceable and in this respect the <b>User</b> shall obtain such legal opinion at its expense as <b>The Company</b> (acting reasonably shall require);
<b>“Engineering Charge”</b>	as set out in the <b>Statement of Use of System Charges</b> from time to time;
<b>"Enhanced Reactive Power Service"</b>	as defined in Paragraph 1.2 of Schedule 3, Part I;
<b>"Enhanced Rate"</b>	in respect of any day the rate per annum which is 4% per annum above the <b>Base Rate</b> ;
<b>“Equivalent Unmetered Supply”</b>	as defined in the <b>Balancing and Settlement Code</b> ;
<b>"Escrow Account"</b>	a bank account in the name of <b>The Company</b> at such branch of Barclays Bank PLC or such branch of any other bank, in the City of London as is notified by <b>The Company</b> to the <b>User</b> in which deposits of principal sums from the <b>User</b> shall be ascertainable, bearing interest from (and including) the date of deposit of principal sums to (but excluding) the date of withdrawal

of principal sums from such account, mandated for withdrawal of any sums solely by **The Company** and mandated for the transfer of any interest accrued to such account to:

a) an associated bank account in the name of **The Company** in which the interest accruing in respect of the principal sums deposited by the **User** shall be ascertainable; or

b) such bank account as the **User** may specify;

<b>"Estimated Demand"</b>	the forecast <b>Demand (Active Power)</b> data filed with <b>The Company</b> pursuant to the <b>Charging Statements</b> ;
<b>"ET Interface Operator"</b>	the operator of the <b>Onshore Distribution System</b> to which an <b>ET Offshore Transmission System</b> connects;
<b>"ET Interface Point"</b>	the electrical point of connection between an <b>Offshore Transmission System</b> and an <b>Onshore Distribution System</b> and in relation to a particular <b>User</b> as defined in its <b>Bilateral Connection Agreement</b> ;
<b>"ET Offshore Transmission System"</b>	an <b>Offshore Transmission System</b> connected at an <b>ET Interface Point</b> ;
<b>"ET Restrictions on Availability"</b>	is in the context of an <b>ET Offshore Transmission System</b> the reduction in capability as set out in the relevant <b>Notification of ET Restrictions on Availability</b> ;
<b>"ET Use of System Charges"</b>	the element of <b>Use of System Charges</b> consisting of charges payable by <b>The Company</b> to the <b>ET Interface Operator</b> in respect of the connection to a <b>Distribution System</b> by an <b>Offshore Transmission System</b> and use of such <b>Distribution System</b> by means of such <b>Offshore Transmission System</b> ;
<b>"European Commission"</b>	means the institution of that name established under The Treaty on European Union as amended from time to time;
<b>"Evaluation of Transmission Impact"</b>	The process undertaken by <b>The Company</b> to understand the effect of a <b>Relevant Embedded Power Station</b> on the <b>National Electricity Transmission System</b> ;
<b>"Event"</b>	as defined in the <b>Grid Code</b> ;
<b>"Event of Default"</b>	any of the events set out in Section 5 as constituting an event of default;
<b>"Excepted Works"</b>	any <b>Construction Works</b> which have been designated as "onshore transmission (reinforcement)" by the <b>Authority</b> in its decision of 19 October 2022 titled 'Offshore Transmission Network Review: Decision on asset classification' included in <b>The Company's</b> 'Pathway to 2030 (Holistic Network Design)' report published in July 2022 or in any decisions by the

	<b>Authority</b> on the classification of assets included in <b>The Company's</b> 'Beyond 2030' report published in March 2024;
<b>"Exchange Rate"</b>	the <b>Transmission Entry Capacity</b> available to a specific party as a direct result of a specific reduction in the <b>Transmission Entry Capacity</b> available to another party.
<b>"Exchange Rate Request"</b>	a joint request from a <b>User</b> and another <b>User</b> to calculate the <b>Exchange Rate</b> that would apply were they to agree to a <b>TEC Trade</b> ;
<b>"Excitation System"</b>	the equipment providing the field current of a machine, including all regulating and control elements as well as field discharge or suppression equipment and protective devices;
<b>"Exemptable"</b>	where the person generating electricity at the relevant <b>Power Station</b> is, or would be (if it generated electricity at no other <b>Power Station</b> and/or did not hold a <b>Generation Licence</b> ) exempt from the requirement to hold a <b>Generation Licence</b> under the <b>Act</b> ;
<b>"Exempt Export BM Unit"</b>	as defined in the <b>Balancing and Settlement Code</b> ;
<b>"Exempt Generator"</b>	any generator who, under the terms of the Electricity (Class Exemptions from the Requirement for a Licence) Order 2001, is not obliged to hold a generation licence;
<b>"Exemptible Generation"</b>	generating plant where the party generating electricity at that generating plant is, or would (if it generated electricity at no other generating plant and/or did not hold a generation licence) be, exempt from the requirement to hold a generation licence (including Scottish generation that export between 50 and 100MW that was connected on or before 30 September 2000);
<b>"Exempt Power Station"</b>	a <b>Power Station</b> where the person generating electricity at that <b>Power Station</b> is exempt from the requirement to hold a <b>Generation Licence</b> under the <b>Act</b> ;
<b>"Existing ICM Construction Agreement"</b>	a <b>Construction Agreement</b> entered into between <b>The Company</b> and a <b>User</b> prior to the <b>Connect and Manage Implementation Date</b> and which is on the basis of the <b>Interim Connect and Manage Arrangements</b> ;
<b>"Existing Offshore Agreement"</b>	any <b>Bilateral Connection Agreement</b> and <b>Construction Agreement</b> entered into under the <b>OTSDUW Arrangements</b> and where the <b>User</b> is undertaking <b>OTSDUW Build</b> on or before the <b>OTSUA Commissioning Period Effective Date</b> ;
<b>"Existing Offshore Generator"</b>	as defined in the <b>Transmission Licence</b> ;

<b>"Existing Security Cover"</b>	the <b>Security Cover</b> held by <b>The Company</b> in respect of a <b>User</b> pursuant to <b>CUSC</b> Section 3 Part III immediately prior to the <b>Security Amendment Implementation Date</b> ;
<b>"Export"</b>	as defined in the <b>Balancing and Settlement Code</b> ;
<b>"Export BM Unit"</b>	a <b>BM Unit</b> registered in accordance with Section K of the <b>BSC</b> in respect of <b>Export</b> ;
<b>"Ex-Post Reconciliation"</b>	The charge or credit to Demand and Generator Users in respect of TNUoS charges in the event of a breach of the Limiting Regulation.
<b>"External Interconnection"</b>	as defined in the <b>Grid Code</b> ;
<b>"Externally Interconnected System Operator"</b>	as defined in the <b>Grid Code</b> ;
<b>"Fast Track Criteria"</b>	<p>a <b>CUSC Modification Proposal</b> that, if implemented,</p> <p>(a) would meet the <b>Self-Governance Criteria</b>; and</p> <p>(b) is properly a housekeeping modification required as a result of some error or factual change, including but not limited to:</p> <ul style="list-style-type: none"> <li>(i) updating names or addresses listed in the <b>CUSC</b>;</li> <li>(ii) correcting any minor typographical errors;</li> <li>(iii) correcting formatting and consistency errors, such as paragraph numbering; or</li> <li>(iv) updating out of date references to other documents or paragraphs</li> </ul>
<b>"FDSC"</b>	Shall mean the same as <b>Final Demand Site Count</b>
<b>"FDSC Forecast"</b>	The forecast, produced by <b>The Company</b> , of the <b>FDSC</b> .
<b>"FDSC Base Percentage"</b>	the % value for the relevant <b>Security Period</b> as specified in the table in paragraph 2A of Section 3, Appendix 2
<b>"FDSC Charges"</b>	that element of <b>Transmission Network Use of System Demand Charges</b> relating to <b>Final Demand Site Count</b>
<b>"FDSC Base Value at Risk"</b>	the sum as calculated in accordance with Paragraph 3.23.4a
<b>"Final Demand Site Count or FDSC"</b>	A count of individual <b>Final Demand Sites</b> for each <b>Charging Band</b>

"Final Adjustments Statement"	as defined in paragraph 3.12.7(a);
"Final Demand"	Means electricity which is consumed other than for the purposes of generation or export onto the electricity network
"Final Demand Reconciliation Statement"	
"Final Demand Site"	<p>Shall mean;</p> <ol style="list-style-type: none"> <li>1. For <b>Users</b> with a <b>Bilateral Connection Agreement</b>, a <b>Single Site</b> which has associated <b>Final Demand</b>, except <b>Single Sites</b> which are for; <ol style="list-style-type: none"> <li>a. <b>Users</b> who own or operate a <b>Distribution System</b>, or</li> <li>b. <b>Interconnector Users</b>, or</li> <li>c. <b>Users</b> of a <b>Non-Final Demand Site</b> with a valid <b>Declaration</b></li> </ol> </li> <li>2. For <b>Users</b> with a <b>Bilateral Embedded Generation Agreement or BELLA</b>, as defined as 'Final Demand Site' in the <b>DCUSA</b> except <b>Non-Final Demand Site</b> with a valid <b>Declaration</b></li> <li>3. For all other parties, as defined as 'Final Demand Site' in the <b>DCUSA</b></li> </ol>
"Final Monthly Statement"	as defined in Paragraph 4.3.2.6;
"Final Physical Notification Data"	as defined in the <b>Balancing and Settlement Code</b> ;
"Final Reconciliation Settlement Run"	as defined in the <b>Balancing and Settlement Code</b> ;
"Final Reconciliation Volume Allocation Run"	as defined in the <b>Balancing and Settlement Code</b> ;
"Final Statement"	as defined in Paragraph 4.3.2.6(a);
"Final Sums"	in relation to a particular <b>User</b> , as defined in its <b>Construction Agreement</b> ;
"Financial Year"	the period of 12 months ending on 31st March in each calendar year;
"First Offer"	as defined in Paragraph 6.10.4;
"First Security Period"	from the date of <b>Construction Agreement</b> to the 31 March or 30 September, whichever is the first to occur;
"First User"	as defined in Paragraph 6.10.3;

<b>"Fixed Works Charge"</b>	<b>Attributable Cancellation</b>	where the <b>Attributable Works Cancellation Charge</b> is calculated in accordance with Paragraph 3.5.1 of Part TWO of the <b>User Commitment Methodology</b> ;
<b>"Fixed BSUoS Price"</b>		the volumetric fixed price (in £/MWh) for <b>BSUoS Charges</b> calculated and published by <b>The Company</b> for each <b>Fixed Price Period</b> ;
<b>"Fixed Price Period"</b>		the period of time during which the <b>Fixed BSUoS Price</b> applies. Each <b>Fixed Price Period</b> shall apply for six months, from 1 <sup>st</sup> April to 30 <sup>th</sup> September and 1 <sup>st</sup> October to 31 <sup>st</sup> March;
<b>"Fixed Proposed Implementation Date"</b>		the proposed date(s) for the implementation of a <b>CUSC Modification Proposal</b> or <b>Workgroup Alternative CUSC Modification</b> such date to be a specific date by reference to an assumed date by which a direction from the <b>Authority</b> approving the <b>CUSC Modification Proposal</b> or <b>Workgroup Alternative CUSC Modification</b> is required in order for the <b>CUSC Modification Proposal</b> or any <b>Workgroup Alternative CUSC Modification</b> , if it were approved, to be implemented by the proposed date;
<b>"FMS Date"</b>		1st April 1993;
<b>"Force Majeure"</b>		in relation to any <b>CUSC Party</b> any event or circumstance which is beyond the reasonable control of such <b>CUSC Party</b> and which results in or causes the failure of that <b>CUSC Party</b> to perform any of its obligations under the <b>CUSC</b> including act of God, strike, lockout or other industrial disturbance, act of the public enemy, war declared or undeclared, threat of war, terrorist act, blockade, revolution, riot, insurrection, civil commotion, public demonstration, sabotage, act of vandalism, lightning, fire, storm, flood, earthquake, accumulation of snow or ice, lack of water arising from weather or environmental problems, explosion, fault or failure of <b>Plant</b> and <b>Apparatus</b> (which could not have been prevented by <b>Good Industry Practice</b> ), governmental restraint, Act of Parliament, other legislation, bye law and <b>Directive</b> (not being any order, regulation or direction under section 32, 33, 34 and 35 of the <b>Act</b> ) provided that lack of funds shall not be interpreted as a cause beyond the reasonable control of that <b>CUSC Party</b> and provided, for the avoidance of doubt, that weather conditions which are reasonably to be expected at the location of the event or circumstance are also excluded as not being beyond the reasonable control of that <b>CUSC Party</b> ;
<b>"Forecasting Performance Related VAR "</b>		the sum of <b>HH Forecasting Performance Related VAR</b> and <b>NHH Forecasting Performance Related VAR</b> ;
<b>"Frequency"</b>		the number of alternating current cycles per second (expressed in Hertz) at which a <b>System</b> is running;
<b>"Frequency Deviation"</b>		a positive or negative deviation from <b>Target Frequency</b> ;



"Frequency Response"	an automatic response by a <b>BM Unit</b> or <b>CCGT Unit</b> to a change in <b>Frequency</b> with the aim of containing <b>System Frequency</b> within the limits provided for under the <b>Grid Code</b> ;
"Frequency Sensitive Mode"	as defined in the <b>Grid Code</b> ;
"Fuel Security Code"	the document of that title designated as such by the <b>Secretary of State</b> as from time to time amended;
"Full TEC Reduction Notice Period"	means one <b>Financial Year</b> and 5 <b>Business Days</b> prior to the beginning of the <b>Financial Year</b> from which the decrease in <b>Transmission Entry Capacity</b> or <b>Disconnection</b> (as appropriate) is to take effect;
"Gas Insulated Switchgear" or "GIS"	SF6 switchgear where the substation busbars (and the interfacing switchgear between those busbars and any connecting circuits) are of an integrated metal enclosed, gas insulated construction;
"GB Transmission System" or "GBTS"	for the purposes of Section 12 means the system consisting (wholly or mainly) of high voltage electric wires owned or operated by transmission licensees within <b>Great Britain</b> and used for the transmission of electricity from one <b>Power Station</b> to a sub-station or to another <b>Power Station</b> or between sub-stations or to or from any <b>External Interconnection</b> and includes any <b>Plant</b> and <b>Apparatus</b> or meters owned or operated by any transmission licensee within <b>Great Britain</b> in connection with the transmission of electricity but shall not include <b>Remote Transmission Assets</b> ;
"Gas Turbine Unit"	a <b>Generating Unit</b> driven by a gas turbine (for instance an aero-engine);
"Gas System Planner Licence" or "GSP Licence"	a licence granted or treated as granted under section 7AA(1) of the Gas Act 1986;
"Generating Plant"	a <b>Large Power Station</b> ;
"Generating Unit"	unless otherwise provided in the <b>Grid Code</b> any <b>Apparatus</b> which produces electricity;
"Generation Capacity"	the normal full load capacity of a <b>Generating Unit</b> as declared by the <b>Generator</b> , less the MW consumed by the <b>Generating Unit</b> through the <b>Generating Unit's</b> unit transformer when producing the same;
"Generation Licence"	the licence granted to a <b>Generator</b> pursuant to section 6(1)(a) of the <b>Act</b> ;
"Generation Licensee"	A <b>User</b> who holds a <b>Generation Licence</b>
"Generation Reconciliation Statement"	as defined in Paragraph 3.12.2;

<b>“Generation Voting Sub-Group”</b>	all <b>User(s)</b> in a <b>Voting Group</b> who fall within any one or more of the following categories: <ol style="list-style-type: none"> <li>1) a <b>User</b> with a <b>Bilateral Agreement</b> in respect of a <b>Directly Connected Power Station</b>;</li> <li>2) a <b>User</b> with a <b>Bilateral Agreement</b> in respect of an <b>Embedded Exemptable Large Power Station</b>; and</li> <li>3) a <b>User</b> with a <b>Bilateral Agreement</b> in respect of an <b>Embedded Power Station</b>;</li> </ol>
<b>"Generator"</b>	a person who generates electricity under licence or exemption under the <b>Act</b> ;
<b>“Generator”</b>	As defined in the <b>Grid Code</b>
<b>"Genset"</b>	as defined in the <b>Grid Code</b> ;
<b>“GIS Asset Outage</b>	as defined in the relevant <b>Bilateral connection Agreement</b> ;
<b>"Good Industry Practice"</b>	in relation to any undertaking and any circumstances, the exercise of that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced operator engaged in the same type of undertaking under the same or similar circumstances;
<b>"Great Britain"</b>	The landmass of England and Wales and Scotland, including internal waters;
<b>"Grid Code"</b>	the <b>Grid Code</b> drawn up pursuant to the <b>ESO Licence</b> , as from time to time revised ;
<b>"Grid Supply Point" ("GSP")</b>	a point of delivery from the <b>National Electricity Transmission System</b> to a <b>Distribution System</b> or a <b>Non-Embedded Customer</b> ;
<b>"Gross Asset Value"</b>	the value calculated by <b>The Company</b> in accordance with recognised accounting principles and procedures as published by <b>The Company</b> from time to time;
<b>"Group"</b>	as defined in the <b>Grid Code</b> ;
<b>“GSP Group”</b>	as defined in the <b>Balancing and Settlement Code</b> ;
<b>"HH Base Percentage"</b>	the % value for the relevant <b>Security Period</b> as specified in the table in paragraph 1 of Section 3, Appendix 2;
<b>"HH Base Value at Risk"</b>	the sum as calculated in accordance with Paragraph 3.22.3;
<b>"HH Charges"</b>	that element of <b>Transmission Network Use of System Demand Charges</b> relating to half-hourly metered <b>Demand</b> ;

"HH Forecasting Performance Related VAR "	the amount resulting from multiplying the <b>Deemed HH Forecasting Performance</b> and the <b>Indicative Annual HH TNUoS Charge</b> calculated on the basis of the latest <b>Demand Forecast</b> received by <b>The Company</b> ;
"High Frequency Response"	as defined in the <b>Grid Code</b> ;
"High Voltage" or "HV"	a voltage exceeding 650 volts;
"Holding Payment"	that component of the payment for <b>Mode A Frequency Response</b> calculated in accordance with Paragraph 4.1.3.9;
"ICRP"	Investment Cost Related Pricing;
"Identified Onshore Circuit"	A single transmission HVDC subsea circuit or a single transmission AC subsea circuit between two MITS Nodes where there is only one route for the power to flow between the two MITS Nodes.
"Implementation Date"	is the date and time for implementation of an <b>Approved CUSC Modification</b> as specified in accordance with Paragraph 8.28.3;
"Import"	as defined in the <b>Balancing and Settlement Code</b> ;
"Import BM Unit"	a <b>BM Unit</b> registered in accordance with Section K of the <b>BSC</b> in respect of <b>Import</b> ;
"Indemnified Persons"	as defined in Paragraph 8.12.1;
"Independent Engineer"	in relation to a particular <b>User</b> , as defined in its <b>Construction Agreement</b> ;
"Independent Credit Assessment"	an assessment of the creditworthiness of a <b>User</b> or entity by an <b>Approved Agency</b> as nominated by the <b>User</b> or entity obtained in accordance with Paragraph 3.26.7, 3.26.8 and 3.26.9;
"Independent Security Arrangement"	a guarantee in favour of <b>The Company</b> in a form satisfactory to <b>The Company</b> and which is provided by an entity which meets the <b>Requirements</b> . In addition <b>The Company</b> may accept such a policy from an entity who does not meet the <b>Requirements</b> up to an <b>Agreed Value</b> where <b>The Company</b> agrees or where <b>The Company</b> does not agree as determined by an expert appointed by <b>The Company</b> and the <b>User</b> or failing their agreement as to the expert the expert nominated by the Director General of The Institute of Credit Management;
"Indicative Annual FDSC TNUoS charge"	<b>The Company's</b> forecast of the <b>User's</b> total <b>FDSC Charges</b> relating to a <b>Financial Year</b>

"Indicative Annual HH TNUoS charge"	<b>The Company's</b> forecast of the <b>User's</b> total <b>HH Charges</b> relating to a <b>Financial Year</b> ;
"Indicative Annual NHH TNUoS charge"	<b>The Company's</b> forecast of the <b>User's</b> total <b>NHH Charges</b> relating to a <b>Financial Year</b> ;
"Indicative Annual UMS TNUoS charge"	<b>The Company's</b> forecast of the <b>User's</b> total <b>UMS Charges</b> relating to a <b>Financial Year</b>
"Indicative Block LDTEC"	is the <b>Available LDTEC</b> ;
"Indicative Maximum Generation Capability"	has the meaning attributed to it in Paragraph 4.2.3.2;
"Industry Code"	means a multilateral code or agreement created and maintained pursuant to a licence granted by the <b>Authority</b> under section 6 of the Act or under sections 7, 7ZA or 7A of the Gas Act 1986;
"Information Request Notice"	a notice that will be issued by <b>The Company</b> to a relevant party setting out <b>The Company's</b> reasonable requirements for relevant information in accordance with section 172 of the Energy Act 2023. This will be prepared in accordance with <b>The Company's</b> published <b>Information Request Statement</b> ;
"Information Request Statement"	a statement prepared and published by <b>The Company</b> , in accordance with section 172 of the Energy Act 2023 and condition D2.5 of the <b>ESO Licence</b> and <b>GSP Licence</b> , setting out the process that <b>The Company</b> will follow when requesting information from relevant parties by the issue of an <b>Information Request Notice</b> ;
"Initial Charge"	as defined in Paragraph 3.16.2;
"Initial Demand Reconciliation Statement"	as defined in Paragraph 3.13.4;
"Initial Volume Allocation Run"	as defined in the <b>Balancing and Settlement Code</b> ;
"Initial Settlement Run"	as defined in the <b>Balancing and Settlement Code</b> ;
"Insolvency Proceedings"	shall mean any action or step taken: <ul style="list-style-type: none"> <li>(a) for the administration, winding up, dissolution or bankruptcy of the <b>Developer</b>; or</li> <li>(b) for the appointment of a receiver or administrative receiver in respect of any of the <b>Developer's</b> assets; or</li> <li>(c) for making a proposal to any of the <b>Developer's</b> creditors with a view to avoiding insolvency; or</li> </ul>

	<p>(d) for the taking of possession by anyone with an interest in any asset of the <b>Developer</b>; or</p> <p>(e) any analogous procedure or step is taken in any jurisdiction in relation to any matter referred to in clause (a) to (d) (inclusive) above;</p>
<b>"Insurance Performance Bond"</b>	a <b>Performance Bond</b> provided by a company in the business of providing insurance which meets the <b>Requirements</b> . In addition <b>The Company</b> may accept such a policy from such a company who does not meet the <b>Requirements</b> up to an <b>Agreed Value</b> where <b>The Company</b> agrees or where <b>The Company</b> does not agree as determined by an expert appointed by <b>The Company</b> and the <b>User</b> or failing their agreement as to the expert the expert nominated by the Director General of The Institute of Credit Management;
<b>"Intellectual Property" or "IPRs"</b>	patents, trade marks, service marks, rights in designs, trade names, copyrights and topography rights (whether or not any of the same are registered and including applications for registration of any of the same) and rights under licences and consents in relation to any of the same and all rights or forms of protection of a similar nature or having equivalent or similar effect to any of the same which may subsist anywhere in the world;
<b>"Interactivity"</b>	means where there are two or more applications for connection and/or use of system which would be using or connecting to the same part of the <b>Total System</b> which comprises the existing or future <b>NETS</b> and/or <b>Distribution System</b> where not all the applicants can be connected, <b>Interactivity</b> is the process that determines the queue position of the applications that can be connected with or without further changes to the network;
<b>"Interactivity Policy"</b>	the policy adopted by <b>The Company</b> for the purposes of managing <b>Interactivity</b> and published on its website as it may be amended from time to time;
<b>"Interconnected System Operator"</b>	as defined in the <b>Balancing and Settlement Code</b> ;
<b>"Interconnector"</b>	as defined in the <b>Balancing and Settlement Code</b> ;
<b>"Interconnector Adjustment Payments"</b>	the payments (whether positive or negative) as notified by the <b>Interconnectors</b> to <b>The Company</b> pursuant to the conditions in their respective licences for the purposes of the ESO Licence condition F3 Part C Pass-through (PTt);
<b>"Interconnector Asset Owner"</b>	the owner of an <b>Interconnector</b> ;
<b>"Interconnector Error Administrator"</b>	as defined in the <b>Balancing and Settlement Code</b> ;
<b>"Interconnector Owner"</b>	the owner of an <b>Interconnector</b> , or of that part of an <b>Interconnector</b> , directly connected to the <b>National Electricity Transmission System</b> ;

<b>"Interconnector User"</b>	<p>(a) in relation to an <b>Interconnector</b> connected to the <b>National Electricity Transmission System</b>, as defined in the <b>Balancing and Settlement Code</b>; and</p> <p>(b) in relation to a <b>Distribution Interconnector</b>, a Lead Party (as defined in the <b>Balancing and Settlement Code</b>) in respect of a single <b>BM Unit</b> where under Section K5 of the <b>Balancing and Settlement Code</b> the <b>BM Unit</b> has been allocated in relation to that <b>Distribution Interconnector</b> or if there is no such allocation, as defined in the <b>Balancing and Settlement Code</b>;</p>
<b>"Interconnector User Commitment Capacity"</b>	<p>(a) for <b>Interconnectors</b> whose <b>Connection Site</b> is below the B11 boundary as set out in the annual Electricity Ten Year Statement, this is the figure for the purposes of <b>CUSC</b> Paragraph 9.5 as specified in Appendix C of the <b>User's Bilateral Connection Agreement</b>; and</p> <p>(b) for <b>Interconnectors</b> whose <b>Connection Site</b> is above the B11 boundary as set out in the annual Electricity Ten Year Statement, this is the figure for the purposes of <b>CUSC</b> Paragraph 9.4 as specified in Appendix C of the <b>User's Bilateral Connection Agreement</b>;</p>
<b>"Interconnector Voting Sub-Group"</b>	<p>all <b>User(s)</b> in a <b>Voting Group</b> who fall within any one or more of the following categories:</p> <p>(a) <b>Interconnector Owners</b> with a <b>Bilateral Agreement</b>; and</p> <p>(b) <b>Interconnector Users</b></p>
<b>"Interface Agreement"</b>	<p>the agreement(s) entered into pursuant to Paragraph 2.11 and Paragraph 9.13 based substantially on the forms set out in Exhibit O to the <b>CUSC</b>;</p>
<b>"Interim Connect and Manage Arrangements"</b>	<p>the arrangements in place between 8 May 2009 and the <b>Connect and Manage Implementation Date</b> whereby <b>Offers</b> were made by <b>The Company</b> on the basis that a <b>Derogation</b> would be obtained from the <b>Authority</b> such that identified <b>Transmission Reinforcement Works</b> did not need to be completed prior to connection and/or use of system;</p>
<b>"Interim Operational Notification" or "ION"</b>	<p>as defined in the <b>Grid Code</b>;</p>
<b>"Interim Operational Notification Part A" or "ION Part A"</b>	<p>as defined in the <b>Grid Code</b>;</p>
<b>"Interim Operational Notification Part B" or "ION Part B"</b>	<p>as defined in the <b>Grid Code</b>;</p>

**"Interim Panel and Alternate Election process"**

As defined in Paragraph 8A.4.3.2

**"Interruption"**

where either:-

- (i) solely as a result of **Deenergisation** of **Plant and Apparatus** forming part of the **National Electricity Transmission System**; or
- (ii) in accordance with an **Emergency Deenergisation Instruction**; or
- (iii) solely as a result of an **User Emergency Deenergisation**;
- a) An **Export BM Unit** comprised in the **User's Equipment** of an **Affected User** (other than an **Interconnector Owner**) is **Deenergised**; or
- b) an **Associated Export BM Unit** of an **Affected User** is (other than an **Interconnector Owner**) **Deenergised** from the **National Electricity Transmission System**; or
- c) an **Interconnector** of an **Affected User** who is an **Interconnector Owner** is **Deenergised**.; or
- d) The **Maximum Export Limit** in respect of the **BM Unit(s)** associated with such **User's Equipment** is zero.

**"Interruption Payment"**the payment for a **Relevant Interruption** calculated as follows:

- 1) In the case of a **Relevant Interruption** arising as a result of a **Planned Outage**;

In the case of an **Affected User** other than an **Interconnector Owner**

$$\sum_{i=k}^{i=n} \text{Maximum}(\text{Average daily } \pounds \text{ per MW rate}_i, \text{Actual daily } \pounds \text{ per MW rate}_i) * \text{Affected MW}_i$$

In the case of an **Affected User** who is an **Interconnector Owner**

$$\sum_{i=k}^{i=n} \text{Average daily } \pounds \text{ per MW rate}_i * \text{MW specified as the Transmission Entry Capacity for the Connection Site}$$

where:

i = calendar days

k = 1, representing the first calendar day associated with a **Relevant Interruption**.

n = number of complete or part complete calendar days of a **Relevant Interruption**

2) In the case of a **Relevant Interruption** arising as a result of either an **Emergency Deenergisation Instruction** or a **User Emergency Deenergisation**

In the case of an **Affected User** other than an **Interconnector Owner**

$$j = p$$

$$\sum_{j=1} \text{System Buy Price}_j * 0.5 * \text{Affected MW}_j$$

Plus (if applicable)

$$j = m$$

$$\sum_{j=4} \text{Market Price}_j * 0.5 * \text{Affected MW}_j$$

In the case of an **Affected User** who is an **Interconnector Owner**

$$j = p$$

$$\sum_{j=1} \text{System Buy Price}_j * 0.5 * \text{MW specified as the Transmission Entry Capacity for the Connection Site}$$

Plus (if applicable)

$$j = m$$

$$\sum_{j=4} \text{Market Price}_j * 0.5 * \text{MW specified as the Transmission Entry Capacity for the Connection Site}$$

where;

j = **Settlement Periods** from the time when the **Emergency Deenergisation Instruction** was issued by **The Company** or commencement of the **User Emergency Deenergisation** (as applicable), with 1 representing the first **Settlement Period**.

m = The duration of the **Relevant Interruption** (being the **Interruption Period**), in **Settlement Periods** for which **Gate Closure** has not yet occurred (which shall be greater than 3, up to a maximum value of 48)

p = The duration of the **Relevant Interruption** in **Settlement Periods** for which **Gate Closure** has occurred (up to a maximum value of 3).



and after the first 24 hours of a Relevant Interruption a sum calculated as 1 above save that k shall be equal to 2.

3) In the case of all other Relevant Interruptions:

In the case of an **Affected User** other than an **Interconnector Owner**

$$\sum_{j=1}^{j=p} \text{System Buy Price}_j * 0.5 * \text{Affected MW}_j$$

Plus (if applicable)

$$\sum_{j=4}^{j=m} \text{Market Price}_j * 0.5 * \text{Affected MW}_j$$

In the case of an **Affected User** who is an **Interconnector Owner**

$$\sum_{j=1}^{j=p} \text{System Buy Price}_j * 0.5 * \text{MW specified as the Transmission Entry Capacity for the Connection Site}$$

Plus (if applicable)

$$\sum_{j=4}^{j=m} \text{Market Price}_j * 0.5 * \text{MW specified as the Transmission Entry Capacity for the Connection Site}$$

where;

j = **Settlement Periods** from the start of the **Relevant Interruption**, with 1 representing the first **Settlement Period**.

m = The duration of the **Relevant Interruption** (being the **Interruption Period**), in **Settlement Periods** for which **Gate Closure** has not yet occurred (which shall be greater than 3, up to a maximum value of 48)

p = The duration of the **Relevant Interruption** in **Settlement Periods** for which **Gate Closure** has occurred (up to a maximum value of 3).

and after the first 24 hours of a **Relevant Interruption** a sum calculated in accordance with paragraph 1 above save that k shall be equal to 2.

Provided always that an **Affected User** shall not receive payment in respect of more than one **Relevant Interruption** for the same period.

4. In the event of the relevant **Market Price** being zero then for purpose of paragraphs 2 or 3 above the **Market Price** shall be deemed to be the most recent preceding positive price.

Throughout this definition of **Interruption Payment**:

**Average daily £ per MW rate** = (TNUoS income derived from generators/ total system **Transmission Entry Capacity**) / 365, calculated by reference in each case to figures for the **Financial Year** prior to that in which the **Relevant Interruption** occurs to give a daily £ per MW rate;

**Actual daily £ per MW rate** = (Annual TNUoS charge of an **Affected User** for the **Financial Year** / **Transmission Entry Capacity** for the **Connection Site**) / 365 calculated by reference to the tariff in the **Statement of Use of System Charges** for the **Financial Year** in which the **Relevant Interruption** occurs;

**Affected MW** = in the case of either **Export BM Units** or **Associated Export BM Units**, the MW arrived at after deducting from the **Transmission Entry Capacity** for the **Connection Site** the sum of the **Connection Entry Capacity** of the unaffected **Export BM Units** at the **Connection Site**;

**System Buy Price** is as defined in the **Balancing and Settlement Code**;

**Market Price** is as defined in the **Balancing and Settlement Code**.

#### **"Interruption Period"**

For a **Planned Outage**, shall mean the period in whole calendar days commencing with the notification of the **Affected User** by **The Company** of the start of **Relevant Interruption** and ending on the notification of the **Affected User** by **The Company** that the **Relevant Interruption** has ended;

For a **Relevant Interruption** arising as a result of:

- (i) an **Emergency Deenergisation Instruction**, shall mean the period from the start of the **Settlement Period** in which **The Company** gave notification to the **Affected User** of the start of such **Relevant Interruption**; or
- (ii) a User **Emergency Deenergisation**, shall mean the period from the start of the **Settlement Period**

in which the **User Emergency Deenergisation** commenced,

until the end of the **Settlement Period** in respect of which (i) **The Company** gave notification to the **Affected User** by **The Company** that the **Relevant Interruption** has ended or (ii), in the case of a **User Emergency Deenergisation**, means the earlier of (a) when the **Export BM Unit** is **Reenergised** or (b) when the issue on the **National Electricity Transmission System** giving rise to the **User Emergency Deenergisation** is resolved, which shall be measured in:

- i) whole **Settlement Periods** for the first 24 hours from the time of either notification by **The Company** to the **Affected User** of the start of such **Relevant Interruption** or when the **User Emergency Deenergisation** commenced (as applicable); and
- ii) whole calendar days for any time after the first 24 hour period referred to in i) above.

In the case of all other **Relevant Interruptions** the duration, shall mean the period from the start of such **Relevant Interruption** which shall be measured in:

- i) whole **Settlement Periods** for the first 24 hours from the start of such **Relevant Interruption**; and
- ii) whole calendar days for any time after the first 24 hour period referred to in i) above.

**"Intertrip Contracted Unit"**

- (i) in the case of a **Power Park Module**, the collection of **Non-Synchronous Generating Units** which are registered as a **Power Park Module** under the **Grid Code**; and
- (ii) all other cases, a **Generating Unit**,

unless, in either case, the **Bilateral Agreement** specifies otherwise.

**"Intertrip Payment"**

as defined in Paragraph 4.2A.4(c);

**"Isolation"**

as defined in the **Grid Code**;

**"ISOP"**

Independent System Operator and Planner, means a person designated by the Secretary of State under section 162 of the Energy Act 2023 as the holder of the **ESO Licence**, and the **GSP Licence**. For the time being that person is **NESO**;

**"Joint System Incident"**

Paragraphs (a) and (b) below are without prejudice to the application of Paragraph 6.4 to **Users** acting in capacities other than those detailed in Paragraphs (a) and (b),

- (a) for **Users** in respect of their **Connection Sites** which were not **Commissioned** as at the **Transfer Date**, shall have the meaning given to that term in the **Grid Code**;
- (b) for **Users** acting in their capacity as **Generators** with **Embedded Large Power Stations** or **Embedded Medium Power Stations** and who are passing power onto a **Distribution System** through a connection with a **Distribution System** which was not **Commissioned** as at the **Transfer Date**, means an event wherever occurring (other than on an **Embedded Medium Power Station** or **Embedded Small Power Station**) which, in the opinion of **The Company** or a **User** has or may have a serious and/or widespread effect, being (in the case of an event on a **User(s) System(s)**) (other than on an **Embedded Medium Power Station** or **Embedded Small Power Station**), on the **National Electricity Transmission System** , and (in the case of an event on the **National Electricity Transmission System**), on a **User(s) System(s)** (other than on an **Embedded Independent Generating Plant**);

**"Joint Temporary TEC Exchange Users"** means the **Temporary TEC Exchange Donor User** and the **Temporary TEC Exchange Recipient User**;

**"Key Consents"** those **Consents** a **User** requires in respect of its **Power Station** project which are identified by **The Company** as key for the purposes of Part Three of the **User Commitment Methodology** and in relation to a particular **User** as defined in its **Construction Agreement**;

**"Key Consents In Place Date"** the date that **The Company** confirms in writing to the **User** that **The Company** is satisfied, for the purposes of Part Three of the **User Commitment Methodology**, that the **User** has been granted the **Key Consents**;

**"Land Charge"** the charge (if any) set out in Appendix B to a **Bilateral Connection Agreement**;

**"Large Power Station"** as defined in the **Grid Code**;

**"LDTEC"** Is, in the case of an accepted **LDTEC Block Offer**, **Block LDTEC** or, in the case of an accepted **LDTEC Indicative Block Offer**, **Indicative Block LDTEC**;

**"LDTEC Availability Notification"** the form set out in Exhibit T to the **CUSC**;

**"LDTEC Block Offer"** is an offer made by **The Company** for **Short Term Capacity** in accordance with the terms of Paragraphs 6.32.4.6 and 6.32.6.1 in response to an **LDTEC Request**;

**"LDTEC Charge"** being a component of the **Use of System Charges** which is made or levied by **The Company** and to be paid by the **User** , in the case of an accepted **LDTEC Block Offer**, for **Block LDTEC** and in the case of an accepted **LDTEC Indicative Block Offer** for **Requested LDTEC** and in the case of an

	accepted <b>Temporary TEC Exchange Rate Offer</b> for <b>Temporary Received TEC</b> , in each case calculated in accordance with the <b>Charging Statements</b> ;
"LDTEC Indicative Block Offer"	is an offer made by <b>The Company</b> for <b>Short Term Capacity</b> in accordance with the terms of Paragraphs 6.32.6.4 and 6.32.6.2 in response to an <b>LDTEC Request</b> ;
"LDTEC Indicative Profile"	is a profile in MW that indicates <b>The Company's</b> assessment of the MW capacity that may be available to a <b>User</b> for the <b>LDTEC Period</b> which has been prepared solely for the purpose of enabling a <b>User</b> to make its assessment of an <b>LDTEC Indicative Block Offer</b> ;
"LDTEC Offer"	is an <b>LDTEC Block Offer</b> and/or an <b>LDTEC Indicative Offer</b> ;
"LDTEC Period"	is,  (a) a period of weeks or part thereof within a <b>Financial Year</b> as specified by the <b>User</b> in its <b>LDTEC Request Form</b> for a minimum period of seven weeks commencing on a Monday at 0.00 hours and finishing at 23.59 on any given day no later than the last day of such <b>Financial Year</b> , or  (b) in the case of an accepted <b>Temporary TEC Exchange Offer</b> , the <b>Temporary TEC Exchange Period</b> ;
"LDTEC Profile"	is a profile in MW of <b>The Company's</b> assessment of the MW capacity that is available to a <b>User</b> for the <b>LDTEC Period</b> (not exceeding the maximum level in the <b>LDTEC Request</b> ) in an <b>LDTEC Block Offer</b> ;
"LDTEC Request"	is an application made by a user for an <b>LDTEC Block Offer</b> and/or an <b>LDTEC Indicative Block Offer</b> made using an <b>LDTEC Request Form</b> ;
"LDTEC Request Fee"	the fee to be paid by the <b>User</b> to <b>The Company</b> for an <b>LDTEC Request</b> as detailed in the <b>Charging Statements</b> ;
"LDTEC Request Form"	is the form set out in Exhibit S to the <b>CUSC</b> ;
"LDTEC Week"	is a week or part thereof within an <b>LDTEC Period</b> commencing on Monday at 0.00 and finishing on 23:59 on the last day within such week;
"Leading"	in relation to <b>Reactive Power</b> , importing Mvar;
"Legal Challenge"	an appeal to the Competition Commission or a judicial review in respect of the <b>Authority's</b> decision to approve or not to approve a <b>CUSC Modification Proposal</b> ;
"Legally Binding Decisions of the European Commission and/or the Agency"	means any relevant legally binding decision or decisions of the European Commission and/or the Agency, but a binding decision does not include a decision that is not, or so much of a decision as is not, <b>Assimilated Law</b> ;

<b>"Less than 100MW"</b>	Is defined as not having the capability to export 100MW to the <b>Total System</b> ;
<b>"Letter of Authority"</b>	the letter to be provided with the <b>Connection Application</b> , such letter to be in the appropriate format as found at Section 2 Schedule 2.
<b>"Letter of Credit"</b>	<p>(a) in respect of Paragraph 2.22 shall mean an irrevocable standby letter of credit in a form reasonably satisfactory to <b>The Company</b> but in any case expressed to be governed by the Uniform Customs and Practice for Documentary Credits 1993 Revision ICC Publication No. 500 or such other form as may be reasonably satisfactory to <b>The Company</b> and allowing for partial drawings and providing for the payment to <b>The Company</b> on demand forthwith on and against <b>The Company's</b> delivery to the issuer thereof of a <b>Notice of Drawing</b> of the amount demanded therein;</p> <p>(b) in all other cases shall mean an unconditional irrevocable standby letter of credit in such form as <b>The Company</b> may reasonably approve issued for the account of the <b>User</b> in sterling in favour of <b>The Company</b>, allowing for partial drawings and providing for the payment to <b>The Company</b> forthwith on demand by any United Kingdom clearing bank or any other bank which in each case has a long term debt rating of not less than single "A" by Standard and Poor's Corporation or by Moody's Investors Services, or such other bank as <b>The Company</b> may approve and which shall be available for payment at a branch of the issuing bank;</p>
<b>"Licence"</b>	any licence granted pursuant to Section 6 of the <b>Act</b> ;
<b>"Licence Standards"</b>	the standards to be met by <b>The Company</b> under condition E7 of the <b>ESO Licence</b> ;
<b>"Licensable Generation"</b>	generating plant that is not <b>Exemptible Generation</b> ;
<b>Limited Membership Workgroup</b>	<p>A <b>Workgroup</b> having less than five (5) but more than two (2) persons that have nominated themselves for membership in addition to the <b>Code Administrator</b> representative and the chairperson of the <b>Workgroup</b>.</p> <p>Members of a <b>Limited Membership Workgroup</b> where employed by companies that are considered to be an <b>Affiliate</b> of each other will be considered to be a single workgroup member for the purposes of fulfilling this minimum requirement.</p>
<b>"Limiting Regulation"</b>	European Commission Regulation 838/2010 in the context of setting limits on annual average transmission charges payable by Generators (or any subsequent UK law specifying such limits).
<b>"Liquidated Damages"</b>	in relation to a particular <b>User</b> , as defined in its <b>Construction Agreement</b> ;

<b>"Local Safety Instructions"</b>	as defined in the <b>Grid Code</b> ;
<b>"Loss of Transmission Access Compensation Claim Form"</b>	A form amended from time to time by agreement between the <b>CUSC Modification Panel</b> and <b>The Company</b> , to be completed by a claimant for submission of Relevant Interruption claims and available on a website maintained by <b>The Company</b> .
<b>"MCUSA"</b>	the <b>Master Connection and Use of System Agreement</b> dated 30 March 1990 (now amended to become the <b>CUSC Framework Agreement</b> );
<b>"Main Business"</b>	any business of <b>The Company</b> or any of its subsidiaries which it is required to carry on under the <b>ESO Licence</b> ;
<b>"Main Business Person"</b>	any employee of <b>The Company</b> or any director or employee of its subsidiaries who is engaged solely in the <b>Main Business</b> and <b>"Main Business Personnel"</b> shall be construed accordingly;
<b>"Main System Circuits"</b>	means <b>Transmission Circuits</b> but excluding a <b>Grid Supply Point</b> transformer;
<b>"Maintenance Reconciliation Statement"</b>	the statement prepared in accordance with Paragraph 2.14.5 and Paragraph 9.9.5;
<b>"Mandatory Ancillary Services"</b>	<b>Part 1 System Ancillary Services</b> ;
<b>"Mandatory Services Agreement"</b>	an agreement between <b>The Company</b> and a <b>User</b> to govern the provision of and payment for <b>Mandatory Ancillary Services</b> or to govern the payment by <b>The Company</b> to a <b>User</b> for <b>Obligatory Reactive Power Service</b> provided by an <b>Offshore Transmission Licensee</b> in accordance with the <b>STC</b> ;
<b>"Market Agreement"</b>	as defined in Paragraph 3.1 of Schedule 3, Part I;
<b>"Market Day"</b>	as defined in Paragraph 3.3 of Schedule 3, Part I;
<b>"Market Suspension Period"</b>	as defined in the <b>Balancing and Settlement Code</b> ;
<b>"Material Effect"</b>	an effect causing <b>The Company</b> or a <b>Relevant Transmission Licensee</b> to effect any works or to alter the manner of operation of <b>Transmission Plant</b> and/or <b>Transmission Apparatus</b> at the <b>Connection Site</b> or the site of connection or a <b>User</b> to effect any works or to alter the manner of operation of its <b>Plant</b> and/or <b>Apparatus</b> at the <b>Connection Site</b> or the site of connection which in either case involves that party in expenditure of more than £10,000;

<b>"Materially Affected Party"</b>	any person or class of persons designated by the <b>Authority</b> as such, in relation to the <b>Charging Methodologies</b> ;
<b>"Maximum Export Capacity"</b>	as defined in the <b>Grid Code</b> and in relation to a particular <b>User</b> , as defined in its <b>Bilateral Connection Agreement</b> ;
<b>"Maximum Export Limit"</b>	as defined in the <b>Grid Code</b> ;
<b>"Maximum Generation"</b>	means a Balancing Service provided from the Available BM Units by generating at a level above the MEL so as to increase the total export of <b>Active Power</b> from the <b>Power Station</b> to the <b>National Electricity Transmission</b> System, contributing towards <b>The Company's</b> requirement for additional short-term generation output, all as more particularly described in Paragraph 4.2;
<b>"Maximum Generation BM Unit"</b>	means, as between <b>The Company</b> and a User, the BM Units, specified in the <b>Maximum Generation Service Agreement</b> ;
<b>"Maximum Generation Energy Fee"</b>	the amount (£/MWh) set out in the <b>Maximum Generation Service Agreement</b> as the same may be revised from time to time in accordance with Paragraph 4.2.5;
<b>"Maximum Generation Energy Payment"</b>	has the meaning attributed to it in Paragraph 4.2.5.1;
<b>"Maximum Generation Instruction"</b>	has the meaning attributed to it in Paragraph 4.2.4.1;
<b>"Maximum Generation Redeclaration"</b>	has the meaning attributed to it in Paragraph 4.2.3.3;
<b>"Maximum Generation Service Agreement"</b>	an agreement between <b>The Company</b> and a <b>User</b> specifying, amongst other things, the <b>BM Units</b> and the <b>Maximum Generation Energy Fee</b> applicable to the provision of <b>Maximum Generation</b> ;
<b>"Maximum Import Capacity"</b>	as defined in the <b>Grid Code</b> and in relation to a particular <b>User</b> , as defined in its <b>Bilateral Connection Agreement</b> in the context of the <b>Charging Methodologies</b> it shall mean as defined in the <b>Distribution Connection and Use of System Agreement</b> ;
<b>"Medium Power Station"</b>	as defined in the <b>Grid Code</b> ;
<b>"Meters"</b>	as defined in the <b>Balancing and Settlement Code</b> ;
<b>"Metering Equipment"</b>	as defined in the <b>Balancing and Settlement Code</b> ;
<b>"Meter Operator Agent"</b>	as defined in the <b>Balancing and Settlement Code</b> ;



"Metering System"	as defined in the <b>Balancing and Settlement Code</b> ;
"Methodology"	the <b>Statement of the Use of System Charging Methodology</b> or the <b>Statement of the Connection Charging Methodology</b> (and " <b>Methodologies</b> " shall be construed accordingly);
"Milestone Default Notice"	the notice issued by <b>The Company</b> to a <b>User</b> for the purposes of Paragraph 16.4.4 of the <b>Queue Management Process</b> ;
"Minister of the Crown"	as defined in the <b>ESO Licence</b> ;
"MITS Connection Works"	means those <b>Transmission Reinforcement Works</b> (inclusive of substation works) that are required from the <b>Connection Site</b> to connect to a <b>MITS Substation</b> (and in the context of an <b>Embedded Power Station</b> , "connection site" shall mean the associated <b>Grid Supply Point</b> identified as such in the relevant <b>Bilateral Agreement</b> );
"MITS Node"	means in the context of ascertaining the <b>Attributable Works</b> , a node with (i) more than four <b>Transmission</b> circuits or (ii) two or more <b>Transmission</b> circuits and a <b>Grid Supply Point</b> ;
"MITS Substation"	means (in the context of the definition of <b>MITS Connection Works</b> , a <b>Transmission</b> substation with more than 4 <b>Main System Circuits</b> connecting at that substation;
"Mixed Demand Site"	Means a <b>Final Demand Site</b> which also contains <b>Electricity Generation</b> and/or <b>Electricity Storage</b> and/or provides an <b>Eligible Service</b> .
"Mode A Frequency Response"	as defined in Paragraph 4.1.3.3;
"Modification"	any actual or proposed replacement, renovation, modification, alteration, or construction by or on behalf of a <b>User</b> or <b>The Company</b> to either the <b>User's Plant</b> or <b>Apparatus</b> or the manner of its operation or <b>Transmission Plant</b> or <b>Transmission Apparatus</b> or the manner of its operation which in either case has or may have a <b>Material Effect</b> on another <b>CUSC Party</b> at a particular <b>Connection Site</b> ;
"Modification Affected User"	as defined in Paragraph 6.9.3.2;
"Modification Application"	an application in the form or substantially in the form set out in Exhibit I to the <b>CUSC</b> ;
"Modification Notification"	a notification in the form or substantially in the form set out in Exhibit K to the <b>CUSC</b> ;
"Modification Offer"	an offer in the form or substantially in the form set out in Exhibit J to the <b>CUSC</b> , including any revision or extension of such offer;

<b>"National Electricity Transmission System" or "NETS"</b>	the system consisting (wholly or mainly) of high voltage electric wires owned or operated by transmission licensees within <b>Great Britain</b> and <b>Offshore</b> and used for the transmission of electricity from one <b>Power Station</b> to a sub-station or to another <b>Power Station</b> or between sub-stations or to or from any <b>External Interconnection</b> and includes any <b>Plant</b> and <b>Apparatus</b> or meters owned or operated by any transmission licensee within <b>Great Britain</b> and <b>Offshore</b> in connection with the transmission of electricity but shall not include <b>Remote Transmission Assets</b> ;
<b>"National Electricity Transmission System SQSS" or "NETS SQSS"</b>	is the National Electricity Transmission System Security and Quality of Supply Standards as referred to in condition E7 of the <b>ESO Licence</b> ;
<b>"National Energy System Operator or NESO"</b>	The Company with registered number 11014226, as the designated <b>ISOP</b> and holder of the <b>ESO Licence</b> and the <b>GSP Licence</b> .
<b>"Natural Demand"</b>	the <b>Demand (Active Power)</b> which is necessary to meet the needs of <b>Customers</b> excluding that <b>Demand (Active Power)</b> met by <b>Embedded Generating Units</b> whose generation is not traded by <b>Trading Parties</b> through <b>Energy Metering Systems</b> registered under the <b>Balancing and Settlement Code</b> ;
<b>"Net Asset Value"</b>	the <b>Gross Asset Value</b> of the <b>Transmission Connection Asset</b> in question less depreciation over the <b>Replacement Period</b> calculated in accordance with recognised accounting principles and procedures;
<b>"New Connection Site"</b>	a proposed <b>Connection Site</b> in relation to which there is no <b>Bilateral Agreement</b> in force between the <b>CUSC Parties</b> ;
<b>"New CUSC Party"</b>	as defined in Paragraph 6.13;
<b>"Net Demand"</b>	Sum of the <b>BM Unit Metered Volumes (QM<sub>ij</sub>)</b> of the <b>Trading Unit</b> during the three <b>Settlement Periods</b> of the <b>Triad</b> expressed as a positive number (i.e. $\sum QM_{ij}$ .);
<b>"NGET"</b>	National Grid Electricity Transmission plc (No: 2366977) whose registered office is at 1-3 Strand, London, WC2N 5EH;
<b>"NHH Base Percentage"</b>	the % value for the relevant <b>Security Period</b> as specified in the table in paragraph 2 of Section 3, Appendix 2;
<b>"NHH Charges"</b>	that element of <b>Transmission Network Use of System Demand Charges</b> relating to non-half-hourly metered <b>Demand</b> ;
<b>"NHH Base Value at Risk"</b>	the sum as calculated in accordance with Paragraph 3.22.4;

"NHH Forecasting Performance Related VAR "	the amount resulting from multiplying the <b>Deemed NHH Forecasting Performance</b> and the <b>Indicative Annual HH TNUoS Charge</b> calculated on the basis of the latest <b>Demand Forecast</b> received by <b>The Company</b> ;
"Nominated Registered Capacity"	as defined in Appendix 5 of Schedule 3, Part I;
"Non-Final Demand Site"	Means a <b>Single Site</b> (whether commissioning, operating, maintaining or decommissioning) which is either a; <ul style="list-style-type: none"> <li>i. <b>Electricity Storage Facility</b> and/or an <b>Electricity Generation Facility</b></li> <li>ii. <b>Eligible Services Facility</b></li> </ul> <p>The <b>Non-Final Demand Site</b> shall have an export <b>Metering System</b> and an import <b>Metering System</b> with associated metering equipment which only measures export from <b>Electricity Generation</b> and/or <b>Electricity Storage</b> or <b>Eligible Services</b> and import for, or directly relating to <b>Electricity Generation</b> and/or <b>Electricity Storage</b> or <b>Eligible Services</b> (and not export from another source or import for another activity), which is subject to a <b>Declaration</b>.</p>
"Non- Performing Party"	as defined in Paragraph 6.19;
"Non-Embedded Customer"	a <b>Customer</b> except for a <b>Public Distribution System Operator</b> receiving electricity direct from the <b>National Electricity Transmission System</b> irrespective of from whom it is supplied;
"Non-Embedded User"	A <b>User</b> , except for a <b>Public Distribution System Operator</b> , receiving electricity direct from the <b>National Electricity Transmission System</b> irrespective of from whom it is supplied;
"Non Standard Boundary"	where the division of ownership of <b>Plant</b> and <b>Apparatus</b> is contrary to the principles of ownership set out in <b>CUSC</b> Paragraph 2.12;
"Non-Synchronous Generating Unit"	as defined in the <b>Grid Code</b> .
"Notice of Drawing"	a notice of drawing signed by or on behalf of <b>The Company</b> substantially in the form set out in Exhibit N to the <b>CUSC</b> ;
"Notification Date"	as defined in the <b>Balancing and Settlement Code</b> ;
"Notification of Circuit Outage"	as defined in the relevant <b>Bilateral Connection Agreement</b> or <b>Bilateral Embedded Generation Agreement</b> ;
"Notification of Circuit Restriction"	as defined in the relevant <b>Bilateral Connection Agreement</b> or <b>Bilateral Embedded Generation Agreement</b> ;

<b>"Notification of Fixed Attributable Works Cancellation Charge"</b>	the notification issued by <b>The Company</b> to a <b>User</b> , in accordance with Part Two of the <b>User Commitment Methodology</b> showing the <b>Fixed Attributable Works Cancellation Charge</b> such statement to be in substantially the form set out in Exhibit MM3 to the <b>CUSC</b> ;
<b>"Notification of Restrictions on Availability"</b>	as defined in the relevant <b>Bilateral Connection Agreement</b> or <b>Bilateral Embedded Generation Agreement</b> ;
<b>"Notification of ET Restrictions on Availability"</b>	as defined in the relevant <b>Bilateral Connection Agreement</b> ;
<b>"Notional Amount"</b>	as defined in Paragraph 3.13;
<b>"Nuclear Generator"</b>	as defined in Paragraph 6.11;
<b>"Nuclear Site Licence Provisions Agreement"<sup>1</sup></b>	shall mean each of the following agreements (as from time to time amended) (a) the agreement between <b>NGET</b> and Magnox Electric plc (formally called Nuclear Electric plc) dated 30 March 1990, (b) the agreement between <b>NGET</b> and British Energy Generation Limited dated 31 March 1996, (c) the agreement between SP Transmission Limited and British Energy Generation (UK) Limited dated 29 May 1991 in relation to Hunterston power station and Torness power station, and (d) the agreement between SP Transmission Limited and British Nuclear Fuels plc in relation to Chapelcross power station;
<b>"Obligatory Reactive Power Service"</b>	as defined in Paragraph 1.1 of Schedule 3, Part I or provided by an <b>Offshore Transmission Licensee</b> in accordance with the <b>STC</b> ;
<b>"Offer"</b>	an offer for connection to and/or use of the <b>National Electricity Transmission System</b> made by <b>The Company</b> in relation to the <b>CUSC</b> ;  In the context of the <b>Charging Methodologies</b> it shall have the meaning as defined in the BSC;
<b>"Offer Acceptance Period"</b>	the period for acceptance as set out in <b>CUSC</b> Paragraphs 1.7.3, 2.13.4, 3.7.4, 6.9.2.3 and 9.17.3.
<b>"Offshore"</b>	means wholly or partly in the <b>Offshore Waters</b> and when used in conjunction with another defined term and the terms together are not otherwise defined means that the associated term is to be read accordingly;
<b>"Offshore Construction Works"</b>	In relation to a particular <b>User</b> means those elements of the <b>Construction Works</b> to be undertaken by an <b>Offshore Transmission Licensee</b> on the <b>Offshore Transmission System</b> as defined in its <b>Construction Agreement</b> ;
<b>"Offshore Grid Entry Point"</b>	as defined in the <b>Grid Code</b> ;

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<sup>1</sup> The dates and names of parties with NSLPAs need to be updated in due course.

"Offshore Platform"	a single structure comprising of <b>Plant</b> and <b>Apparatus</b> located <b>Offshore</b> which includes one or more <b>Offshore Grid Entry Points</b> ;
"Offshore Standard Design"	is a connection design (which provides for connection to the <b>National Electricity Transmission System</b> ) of a <b>Connection Site</b> located <b>Offshore</b> which satisfies the minimum deterministic criteria detailed in paragraphs 7.7 to 7.19 of the <b>NETS SQSS</b> but does not satisfy the deterministic criteria detailed in paragraphs 2.5 to 2.13 of the <b>NETS SQSS</b> ;
"Offshore Tender Process"	that process followed by the <b>Authority</b> to make, in prescribed cases, a determination on a competitive basis of the person to whom an offshore transmission licence is to be granted;
"Offshore Tender Regulations"	those regulations made by the <b>Authority</b> in accordance with section 6C of the <b>Act</b> to facilitate the determination on a competitive basis of the person to whom an offshore transmission licence is to be granted;
"Offshore Transmission"	means as defined in the Energy Act 2004;
"Offshore Transmission Implementation Plan"	as defined in the <b>Transmission Licence</b> ;
"Offshore Transmission Licensee"	means such person in relation to whose <b>Licence</b> the standard conditions in Section E (offshore transmission owner standard conditions) of such <b>Licence</b> have been given effect or any person in that prospective role;
"Offshore Transmission Owner"	means either (a) such person in relation to whose <b>Licence</b> the standard conditions in Section E (offshore transmission owner standard conditions) of such <b>Licence</b> have been given effect; or (b) a party who has acceded to the <b>STC</b> prior to the grant of a <b>Licence</b> referred to in (a) above as a requirement of the <b>Offshore Tender Regulations</b> ;
"Offshore Transmission Reinforcement Works"	in relation to a particular <b>User</b> , as defined in its <b>Construction Agreement</b> ;
"Offshore Transmission System"	a <b>System</b> used (or to be used) for the purposes of <b>Offshore Transmission</b> and for which there is (or where the <b>OTSDUW Arrangements</b> apply, will be) an <b>Offshore Transmission Licensee</b> ;
"Offshore Transmission System Development User Works" or "OTSDUW"	in relation to a particular <b>User</b> where the <b>OTSDUW Arrangements</b> apply means those activities and/or works to be undertaken by the <b>User</b> as identified in Part 2 of Appendix I of the relevant <b>Construction Agreement</b> ;
"Offshore Transmission System"	in relation to a particular <b>User</b> , any <b>Plant</b> and <b>Apparatus</b> resulting from <b>OTSDUW Build</b> which form the <b>Offshore Transmission System</b> to which

<b>User Assets" or "OTSUA"</b>	the <b>User's Equipment</b> is to be or is connected, as identified in its <b>Construction Agreement</b> ;
<b>"Offshore Waters"</b>	has the meaning given to "offshore waters" in Section 90(9) of the Energy Act 2004;
<b>"Offtaking"</b>	as defined in the <b>Balancing and Settlement Code</b> ;
<b>"One Off Charge"</b>	the costs, including profits and overheads of carrying out the <b>One Off Works</b> , together with the <b>Net Asset Value</b> of any asset made redundant as a result of the <b>Construction Works</b> an estimate of which is specified in Appendix B1 to the relevant <b>Construction Agreement</b> and/or <b>Bilateral Agreement</b> ;
<b>"One Off Works"</b>	the works described in Appendix B1 to the relevant <b>Construction Agreement</b> and/or <b>Bilateral Agreement</b> ;
<b>"Onshore"</b>	means within <b>Great Britain</b> and when used in conjunction with another defined term and the terms together are not otherwise defined means that the associated term is to be read accordingly;
<b>"Onshore Transmission Licensee"</b>	means <b>NGET</b> , Scottish Hydro Electric Transmission plc, SP Transmission plc or such other person in relation to whose transmission licence the Standard Conditions in Section D (transmission owner standard conditions) have been given effect;
<b>"Onshore Transmission System"</b>	the part of the <b>National Electricity Transmission System</b> which is not an <b>Offshore Transmission System</b> ;
<b>"Onshore Construction Works"</b>	in relation to a particular <b>User</b> , means those elements of the <b>Construction Works</b> to be undertaken other than on the <b>Offshore Transmission System</b> as defined in its <b>Construction Agreement</b> ;
<b>"Onshore Transmission Reinforcement Works"</b>	in relation to a particular <b>User</b> , as defined in its <b>Construction Agreement</b> ;
<b>"Operating Agreement(s)"</b>	the operating agreements or arrangements identified in the <b>Bilateral Connection Agreement</b> between <b>The Company</b> and the <b>Interconnector Owner</b> of the relevant <b>Interconnector</b> and made between either <b>The Company</b> and the relevant <b>Interconnector Owner</b> and/or <b>The Company</b> and the relevant <b>Interconnected System Operator</b> ;
<b>"Operating Code" or "OC"</b>	the portion of the <b>Grid Code</b> which is identified as the <b>Operating Code</b> ;
<b>"Operation Diagrams"</b>	as defined in the <b>Grid Code</b> ;
<b>"Operational"</b>	in relation to a <b>Connection Site</b> means that the same has been <b>Commissioned</b> (which for the avoidance of doubt does not necessarily include commissioning of <b>Generating Units</b> connected at the <b>Connection Site</b> ) and that the <b>User</b> can use such <b>User's Equipment</b> to undertake those acts and things capable of being undertaken by <b>BSC Parties</b> and in relation

	to a <b>Transmission Interface Site</b> means, in the case of <b>OTSDUW Build</b> , that the same has been <b>Commissioned</b> and that the <b>User</b> can use the <b>OTSUA</b> ;
"Operational Date"	the date on which <b>The Company</b> issues the <b>Operational Notification</b> ;
"Operational Effect"	any effect on the operation of any <b>System</b> which causes that <b>System</b> to operate (or be at a materially increased risk of operating) differently to the way in which it would have normally operated in the absence of that effect;
"Operational Intertripping"	the automatic tripping of circuit breakers to prevent abnormal system conditions occurring, such as over voltage, overload, system instability etc. after the tripping of other circuit breakers following power system fault(s) which includes <b>System</b> to <b>Power Station</b> and <b>System</b> to <b>Demand</b> intertripping schemes;
"Operational Metering Equipment"	meters, instrument transformers (both voltage and current), transducers, metering protection equipment including alarms circuitry and their associated outstations as may be necessary for the purpose of CC.6.5.6 of the <b>Grid Code</b> and the corresponding provision of the relevant <b>Distribution Code</b> ;
"Operational Notification"	the notice of that name given to the <b>User</b> by <b>The Company</b> under Paragraphs 1.5.5 or 3.2.6 as appropriate;
"Original Party"	as defined in the <b>CUSC Framework Agreement</b> ;
"Other Dispute"	as defined in Paragraph 7.2.3;
"Other Party"	as defined in Paragraph 7.5.1;
"Other User"	as defined in Paragraph 6.10.3;
"OTSDUW Arrangements"	the arrangements whereby (a) <b>OTSDUW Build</b> or (b) the design, planning and consenting of assets that are to comprise an <b>Offshore Transmission System</b> are capable of being undertaken by a <b>User</b> ;
"OTSDUW Build"	the design, planning, consenting, construction, installation and commissioning by (or on behalf of) a <b>User</b> of <b>OTSUA</b> which forms an <b>Offshore Transmission System</b> which at the <b>OTSUA Transfer Time</b> will be owned by an <b>Offshore Transmission Licensee</b> ;
"OTSDUW Staged Build"	<b>OTSDUW Build</b> that is to be undertaken by the <b>User</b> in stages but which is part of a single <b>Qualifying Project</b> ;
"OTSUA Commissioning Period"	has the meaning given to commissioning period in Section 6G(1) of the <b>Act</b> ;
"OTSUA Commissioning Period Effective Date"	the date upon which, in accordance with the modification issued by the <b>Authority</b> to <b>The Company</b> pursuant to Section 6H of the <b>Act</b> , the amendments to the <b>CUSC</b> as provided for in such modification take effect;

<b>"OTSUA Completion Notice"</b>	the notice to be issued by <b>The Company</b> to the <b>Authority</b> in respect of <b>OTSUA</b> or <b>OTSUA Operational at the OTSUA Commissioning Period Effective Date</b> , in accordance with condition D4 of the <b>ESO Licence</b> and Section 6G of the <b>Act</b> ;
<b>"OTSUA Completion Notice Trigger Date"</b>	means: a) other than in the case of <b>OTSDUW Staged Build</b> , the date upon which <b>The Company</b> , having already issued the <b>Energisation Operational Notification</b> and <b>Interim Operational Notification Part A</b> , issues the <b>Interim Operational Notification Part B</b> to the <b>User</b> ; and c) in the case of <b>OTSDUW Staged Build</b> , the date upon which, by reference to the last stage of <b>OTSDUW Build</b> , <b>The Company</b> , having already issued the <b>Energisation Operational Notification</b> and <b>Interim Operational Notification Part A</b> , issues the <b>Interim Operational Notification Part B</b> for such stage to the <b>User</b> provided that all such documentation has already been issued in respect of all earlier stages of the <b>OTSDUW Staged Build</b> .
<b>"OTSUA Operational at the OTSUA Commissioning Period Effective Date"</b>	means <b>OTSUA</b> in respect of which: a) other than in the case of <b>OTSDUW Staged Build</b> , <b>The Company</b> , has already issued the <b>Energisation Operational Notification</b> and <b>Interim Operational Notification</b> to the <b>User</b> (recognising that they may be in different form but where they achieve the same effect as the <b>Interim Operational Part A</b> and <b>Interim Operation Notification Part B</b> ); and b) in the case of <b>OTSDUW Staged Build</b> , the date, by reference to the last stage of <b>OTSDUW Build</b> , <b>The Company</b> , has already issued the <b>Energisation Operational Notification</b> and <b>Interim Operational Notification</b> to the <b>User</b> (recognising that they may be in different form but where they achieve the same effect as the <b>Interim Operational Part A</b> and <b>Interim Operation Notification Part B</b> ) provided that such documentation has already been issued in respect of all earlier stages of the <b>OTSDUW Staged Build</b> , on or before the <b>OTSUA Commissioning Period Effective Date</b> and where the <b>OTSUA Transfer Time</b> has not occurred at the <b>OTSUA Commissioning Period Effective Date</b> ;
<b>"OTSUA Transfer Time"</b>	the time and date at which the <b>OTSUA</b> are transferred by the relevant <b>User</b> to an <b>Offshore Transmission Licensee</b> ;
<b>"Output"</b>	the actual <b>Active Power</b> or <b>Reactive Power</b> output achieved by a <b>BM Unit</b> ;
<b>"Output Useable"</b>	shall have the meaning given to that term in the <b>Grid Code</b> ;
<b>"Panel Chairperson"</b>	a person appointed as such in accordance with Paragraph 8.4.1;



"Panel Member"	any of the persons listed in Paragraph 8.3.1(b);
"Panel Member Interim Vacancies"	as defined in Paragraph 8A.4.3.3;
"Panel Members' Recommendation"	the recommendation in accordance with the <b>CUSC Modifications Panel Recommendation Vote</b> ;
"Panel Secretary"	a person appointed as such in accordance with Paragraph 8.3.1(c);
"Part 1 System Ancillary Services"	as defined in <b>Grid Code</b> CC 8.1;
"Part 2 System Ancillary Services"	as defined in <b>Grid Code</b> CC 8.1;
"Partial Shutdown "	as defined in the <b>Grid Code</b> ;
"Party Liable"	as defined in Paragraph 6.12.1;
"Payment Date"	as defined in the <b>Balancing and Settlement Code</b> ;
"Payment Record Sum"	the proportion of the <b>Unsecured Credit Cover</b> extended by <b>The Company</b> to a <b>User</b> who does meeting the <b>Approved Credit Rating</b> calculated in accordance with Paragraph 3.26.4 and 3.26.5;
"Pending CUSC Modification Proposal"	a <b>CUSC Modification Proposal</b> in respect of which, at the relevant time, the <b>Authority</b> has not yet made a decision as to whether to direct such <b>Proposed CUSC Modification</b> to be made pursuant to the <b>ESO Licence</b> (whether or not a <b>CUSC Modification Report</b> has been submitted in respect of such <b>CUSC Modification Proposal</b> );
"Performance Bond"	an on first demand without proof or conditions irrevocable performance bond or performance guarantee executed as a deed in a form reasonably satisfactory to <b>The Company</b> but in any case allowing for partial drawings and providing for the payment to <b>The Company</b> on demand forthwith on and against <b>The Company's</b> delivery to the issuer thereof of a <b>Notice of Drawing</b> of the amount demanded therein;
"Permitted Activities"	activities carried on for the purposes of the <b>Main Business</b> ;
"Physical Notification"	as defined in the <b>Balancing and Settlement Code</b> ;
"Planned Outage"	as defined in the <b>Grid Code</b> ;
"Planning Code" or PC	that portion of the <b>Grid Code</b> which is identified as the <b>Planning Code</b> ;
"Plant"	fixed and moveable items used in the generation and/or supply and/or transmission of electricity other than <b>Apparatus</b> ;
"Pool Member"	as defined in the <b>Balancing and Settlement Code</b> ;

"Pooling and Settlement Agreement"	as defined in the <b>Balancing and Settlement Code</b> ;
"Power Park Module"	as defined in the <b>Grid Code</b> ;
"Power Park Unit"	as defined in the <b>Grid Code</b> ;
"Power Station"	as defined in the <b>Grid Code</b> ;
"Practical Completion Date"	in relation to a particular <b>User</b> , as defined in its <b>Construction Agreement</b> ;
"Preference Votes"	as defined in Paragraph 8A.3.2.1;
"Prescribed Rate"	the rate of interest set for the relevant period as the statutory interest rate for the purposes of the Late Payment of Commercial Debts (interest) Act 1998;
"Pre Trigger Amount"	the component of the <b>Cancellation Charge</b> that applies before the <b>Trigger Date</b> and which is more particularly described in Part Two of the <b>User Commitment Methodology</b> ;
"Primary Response"	as defined in the <b>Grid Code</b> ;
"Proceedings"	as defined in Paragraph 6.23.1;
"Production"	as defined in the <b>Balancing and Settlement Code</b> in relation to a Production BM Unit;
"Profiled Unmetered Supply"	as defined in the <b>Balancing and Settlement Code</b> ;
"Progress Report"	as defined in Paragraph 8.14;
"Project Milestone Remedy Period"	the period starting on the date that the <b>Milestone Default Notice</b> is issued and ending on the date which is 60 days from the date of issue of this notice;
"Proposed Implementation Date"	the proposed date(s) for the implementation of a <b>CUSC Modification Proposal</b> or <b>Workgroup Alternative CUSC Modification</b> such date(s) to be either (i) described by reference to a specified period after a direction from the <b>Authority</b> approving the <b>CUSC Modification Proposal</b> or <b>Workgroup Alternative CUSC Modification</b> or (ii) a <b>Fixed Proposed Implementation Date</b> ;
"Proposer"	in relation to a particular <b>CUSC Modification Proposal</b> , the person who makes such <b>CUSC Modification Proposal</b> ;
"Protected Information"	any information relating to the affairs of a <b>CUSC Party</b> which is furnished to <b>Business Personnel</b> pursuant to the <b>CUSC</b> or a <b>Bilateral Agreement</b> or a <b>Mandatory Services Agreement</b> or a <b>Construction Agreement</b> or pursuant to a direction under section 34 of the <b>Act</b> or pursuant to the provisions of the <b>Fuel Security Code</b> unless, prior to such information being

furnished, such **CUSC Party** has informed the recipient thereof by notice in writing or by endorsement on such information, that the said information is not to be regarded as **Protected Information**;

**"Provisional Statement"**

as defined in Paragraph 4.3.2.1(a);

**"Provisional Monthly Statement"**

as defined in Paragraph 4.3.2.1;

**"Provisional Adjustments Statement"**

as defined in Paragraph 4.3.2.1(b);

**"Public Distribution System Operator"**

a holder of a **Distribution Licence** who was the holder, or is a successor to a company which was the holder of a **Public Electricity Supply Licence** relating to distribution activities in **Great Britain** on the **CUSC Implementation Date**;

**"Public Electricity Supply Licence"**

a licence issued under section 6(1)(c) of the **Act** prior to the coming in force of section 30 of the Utilities Act 2000;

**"Qualified Bank" or "Qualifying Bank"**

means either:

- (a) a City of London branch of a bank, its successors and assigns, which has throughout the validity period of the **Performance Bond** or **Letter of Credit** it issues in favour of **The Company**, a rating of at least A- in Standard and Poor's long term debt rating or A3 in Moody's long term debt rating provided that such bank is not during such validity period put on any credit watch or any similar credit surveillance which gives **The Company** reasonable cause to doubt that such bank may not be able to maintain the aforesaid rating throughout the validity period and no other event has occurred which gives **The Company** reasonable cause to have such doubt; or
- (b) a branch in **Great Britain** of a regulated insurance company, its successors and assigns, which throughout the validity period of the **Performance Bond** or **Letter of Credit** it issues in favour of **The Company**, is authorised or licensed to provide arrangements of this type in the United Kingdom, and has a rating of at least A- in Standard and Poor's long term debt rating or A3 in Moody's long term debt rating provided that such regulated insurance company is not during such validity period put on any credit watch or any similar credit surveillance which gives **The Company** reasonable cause to doubt that such regulated insurance company may not be able to maintain the aforesaid rating throughout the validity period and no other event has occurred which gives **The Company** reasonable cause to have such doubt.

**"Qualified Company"  
or**

a company which is a public company or a private company within the meaning of section 1(3) of the Companies Act 1985 and which is either :

**"Qualifying Company"**

- (a) a shareholder of the User or any holding company of such shareholder-or
- (b) any subsidiary of any such holding company, but only where the subsidiary
  - (i) demonstrates to The Company's satisfaction that it has power under its constitution to give a Performance Bond other than in respect of its subsidiary;
  - (ii) provides an extract of the minutes of a meeting of its directors recording that the directors have duly concluded that the giving of the Performance Bond is likely to promote the success of that subsidiary for the benefit of its members;
  - (iii) provides certified copies of the authorisation by every holding company of the subsidiary up to and including the holding company of the User, of the giving of the Performance Bond,

(the expressions "holding company" and "subsidiary" having the respective meanings assigned thereto by section 736, Companies Act 1985 as supplemented by section 144(3), Companies Act 1989) and which has throughout the validity period of the Performance Bond it gives in favour of The Company, a rating of at least A- in Standard and Poor's long term debt rating or A3 in Moody's long term debt rating or such lesser rating which The Company may in its absolute discretion allow by prior written notice given pursuant to a resolution of its board of directors for such period and on such terms as such resolution may specify provided that such company is not during such validity period put on any credit watch or any similar credit surveillance procedure which gives The Company reasonable cause to doubt that such company may not be able to maintain the aforesaid rating throughout the validity period of the Performance Bond and no other event has occurred which gives The Company reasonable cause to have such doubt;

**"Qualifying  
Guarantee"**

a guarantee in favour of **The Company** in a form proposed by the **User** and agreed by **The Company** (whose agreement shall not be unreasonably withheld or delayed) and which is provided by

- (i) an entity which holds an **Approved Credit Rating** provided that such guarantee cannot secure a sum greater than the level of **User's Allowed Credit** that would be available to that entity in accordance with Paragraph 3.26.2 if it was a User; or
- (ii) an entity with an **Independent Credit Assessment** provided that such guarantee cannot secure a sum greater than the level of **User's**

**Allowed Credit** that would be available to that entity in accordance with Paragraph 3.26.6 if it was a **User**; and

- (iii) which in either case does not, when aggregated with all other **Qualifying Guarantees** provided by that entity, exceed (a) the level of **User's Allowed Credit** that would be available to that entity in accordance with Paragraph 3.26 if it was a **User** or (b) if the entity is a **User** the level of **User's Allowed Credit** available to it in accordance with Paragraph 3.26 less any amount relied on by the **User** in respect of its own requirements.

<b>"Qualifying Project"</b>	has the meaning ascribed to it in the <b>Act</b> ;
<b>"Queue Management Process"</b>	the process as set out in <b>CUSC</b> Section 16 to measure and provide a status ("On Track" or "Termination" as set out within that process) of the progress of a <b>User's</b> project against the <b>User Progression Milestones</b> ;
<b>"Rated MW"</b>	as defined in the <b>Grid Code</b> ;
<b>"Reactive Despatch Instruction"</b>	an instruction relating to <b>Reactive Power</b> given by <b>The Company</b> to a <b>Generator</b> in accordance with <b>Grid Code BC2</b> ;
<b>"Reactive Despatch to Zero Mvar Network Restriction"</b>	as defined in the <b>Grid Code</b> ;
<b>"Reactive Energy"</b>	as defined in the <b>Balancing and Settlement Code</b> ;
<b>"Reactive Power"</b>	the product of voltage and current and the sine of the phase angle between them measured in units of voltamperes reactive and standard multiples thereof i.e.:- 1000 Var = 1Kvar  1000 Kvar = 1Mvar;
<b>"Reactive Test"</b>	a test conducted pursuant to <b>Grid Code</b> OC 5.5.1;
<b>"Reasonable Charges"</b>	reasonable cost reflective charges comparable to charges for similar services obtainable in the open market;
<b>"Reconciled Charge"</b>	as defined in Paragraph 3.15.1 and like terms shall be construed accordingly;
<b>"Reconciliation Settlement Run"</b>	as defined in the <b>Balancing and Settlement Code</b> ;
<b>"Reenergisation" or "Reenergised"</b>	any <b>Energisation</b> after a <b>Deenergisation</b> ;
<b>"Registered Capacity"</b>	has the meaning given in the <b>Grid Code</b> ;

"Registered Data"	those items of <b>Standard Planning Data</b> and <b>Detailed Planning Data</b> which upon connection become fixed (subject to any subsequent changes);
"Registrant"	as defined in the <b>Balancing and Settlement Code</b> ;
"Regulations"	the Electricity Supply Regulations 1988 or any amendment or re-enactment thereof;
"Rejected CUSC Modification Proposal"	a <b>CUSC Modification Proposal</b> in respect of which the <b>Authority</b> has decided not to direct <b>The Company</b> to modify the <b>Code</b> pursuant to the <b>ESO Licence</b> in the manner set out herein;
"Related Person"	means, in relation to an individual, any member of their immediate family, their employer (and any former employer of theirs within the previous 12 months), any partner with whom they are in partnership, and any company or Affiliate of a company in which they or any member of their immediate family controls more than 20% of the voting rights in respect of the shares of the company;
"Related Undertaking"	in relation to <b>The Company</b> (and for the purposes of Paragraph 6.15, a <b>User</b> ) means any undertaking in which <b>The Company</b> has a participating interest as defined by section 260(1) of the Companies Act 1985 as substituted by section 22 of the Companies Act 1989;
"Release Date"	as defined in Paragraph 2.22.2;
"Relevant Embedded Power Station"	Shall mean a <b>Relevant Embedded Small Power Station</b> or a <b>Relevant Embedded Medium Power Station</b> or an <b>Embedded Large Power Station</b> ;
"Relevant Embedded Medium Power Station"	an <b>Embedded Medium Power Station</b> which is an <b>Exempt Power Station</b> , and does not intend to be the subject of a <b>Bilateral Agreement</b> ;
"Relevant Embedded Small Power Station"	an <b>Embedded Small Power Station</b> that the <b>User</b> who owns or operates the <b>Distribution System</b> to which the <b>Embedded Small Power Station</b> intends to connect reasonably believes may have a significant system effect on the <b>National Electricity Transmission System</b> ;
"Relevant Interruption"	an <b>Interruption</b> other than an <b>Allowed Interruption</b> ;
"Relevant Offshore Agreement"	as defined in the <b>Transmission Licence</b> ;
"Relevant Party"	as defined in Paragraph 8.16.10(a);
"Relevant Transmission Licensee"	means in respect of the <b>Onshore Transmission System</b> each <b>Onshore Transmission Licensee</b> in respect of its part of the <b>Onshore Transmission System</b> and in respect of each Offshore Transmission System the Offshore Transmission Licensee for that Offshore Transmission System;

<b>"Remote Transmission Assets"</b>	any <b>Plant</b> and <b>Apparatus</b> or meters owned by <b>NGET</b> which (a) are embedded in a <b>Distribution System</b> or a <b>User System</b> and which are not directly connected by <b>Plant</b> and/or <b>Apparatus</b> owned by <b>NGET</b> to a <b>sub-station</b> owned by <b>NGET</b> and (b) are by agreement between <b>NGET</b> and such <b>Public Distribution System Operator</b> or <b>User</b> under the direction and control of such <b>Public Distribution System Operator</b> or <b>User</b> ;
<b>"Replacement Period"</b>	<p>in relation to a <b>Transmission Connection Asset</b>, the period commencing on the date on which such <b>Transmission Connection Asset</b> is or was originally <b>Commissioned</b>, after which it is assumed for accounting purposes such <b>Transmission Connection Asset</b> will need to be replaced, which shall be 40 years except</p> <p>(a) in the case of <b>Transmission Connection Assets</b> located <b>Offshore</b> where it shall be 20 years, or</p> <p>unless otherwise agreed between the <b>CUSC Parties</b> to a <b>Bilateral Agreement</b> and recorded in the relevant <b>Bilateral Agreement</b>;</p>
<b>"Reported Period(s) of Increase"</b>	the period of time during which a <b>User's Demand</b> and/or <b>FDSC</b> and/or <b>Unmetered Supply Volume</b> increased not being more than 20 <b>Business Days</b> , as notified to <b>The Company</b> under paragraph 3.23.7, paragraph 3.23.8 or paragraph 3.23.8A
<b>"Request for a Statement of Works"</b>	a request in the form or substantially in the form set out in <b>Exhibit U</b> to the <b>CUSC</b> ;
<b>"Request for a STTEC Authorisation"</b>	a request made by a <b>User</b> in accordance with the terms Paragraph 6.31 for <b>Short Term Capacity</b> for a <b>STTEC</b> Period;
<b>"Requested LDTEC"</b>	the figure in MW for the <b>LDTEC Period</b> (not exceeding the maximum level in the <b>LDTEC Request</b> ) specified in the <b>User's</b> acceptance of the <b>LDTEC Indicative Block Offer</b> in accordance with paragraph 6.32.6.5;
<b>"Required Amount"</b>	as defined in Paragraph 2.21.2(c);
<b>"Required Sovereign Credit Rating"</b>	a long term debt rating of not less than A by Standard and Poor's Corporation or a rating not less than A2 by Moody's Investor Services or a short term rating which correlates to those long term ratings or an equivalent rating from any other reputable credit agency approved by <b>The Company</b> in respect of non local currency obligations;
<b>"Required Standard"</b>	in relation to an item of <b>Derogated Plant</b> , the respective standard required of that item (which shall not exceed that required by the <b>Grid Code</b> or the <b>Licence Standards</b> , as the case may be) as specified in or pursuant to the relevant <b>Derogation</b> ;
<b>"Requirements"</b>	shall mean an entity who throughout the validity period of the <b>Bilateral Insurance Policy</b> , <b>Insurance Performance Bond</b> or <b>Independent Security Arrangement</b> ;

- (a) holds a rating of at least A- in Standard and Poor's long term debt rating or A3 in Moody's long term debt rating provided that such entity is not during such validity period put on any credit watch or any similar credit surveillance which gives **The Company** reasonable cause to doubt that such entity may not be able to retain the aforesaid rating throughout the validity period; and
- (b) the country of residence of such entity meets the **Required Sovereign Credit Rating**; and
- (c) the security provided is **Enforceable**; and
- (d) there are no material conditions preventing the exercise by **The Company** of its rights under the **Bilateral Insurance Policy, Insurance Performance Bond or Independent Security Arrangement**;

**"Residual Charging Group"**

a group of **Final Demand Sites** or **Unmetered Supplies** with similar connection characteristics for which **Charging Bands** may or may not be set for the purposes of recovering the revenue related to the **Transmission Demand Residual**. The list of **Residual Charging Groups** are;

- Domestic,
- Low Voltage No Maximum Import Capacity (LV No MIC),
- Low Voltage with Maximum Import Capacity (LV MIC),
- High Voltage (HV),
- Extra High Voltage (EHV),
- Transmission
- Unmetered Supplies (UMS);

**"Resigning Alternate Member"**

as defined in Paragraph 8A.4.1.3;

**"Resigning Panel Member"**

as defined in Paragraph 8A.4.1;

**"Response"**

**Primary Response, Secondary Response** and **High Frequency Response** or any of them as the case may be;

**"Response Energy Payment"**

that component of the payment for Mode A **Frequency Response** calculated in accordance with Paragraph 4.1.3.9A;

**"Restricted Export Level Payment"**

in respect of each Restricted Export Level Period, the payment for each day comprised within the Restricted Export Level Period or (where the Restricted



Export Level Period starts or ends during a day) part of a day calculated as follows:

The higher of:

A. the £ per MW calculated by reference to the total TNUoS income derived from generators divided by the total system Transmission Entry Capacity, in each case using figures for the Financial Year prior to that in which the System to Generator Operational Intertripping Scheme trips, this is then divided by 365 to give a daily £ per MW rate; or

B. the actual £ per MW of the User (who requests in accordance with Clause 4.2A.4) by reference to the tariff in the Use of System Charging Statement for the Financial Year in which the System to Generator Operational Intertripping Scheme trips divided by 365 to give a daily £ per MW rate.

A or B are then multiplied by:

the MW arrived at after deducting from the Transmission Entry Capacity for the Connection Site the Restricted MW Export Level;

**"Restricted Export Level Period"**

as defined in Paragraph 4.2A.4(b)(ii);

**"Restricted MW Export Level"**

as defined in Paragraph 4.2A.2.1(c)(i);

**"Restrictions on Availability"**

is, in the context of a **Design Variation** or an **Offshore Connection**, the outage or reduction in capability as set out in the relevant **Notification of Restrictions on Availability**;

**"Retail Price Index"**

the general index of retail prices published by the Office for National Statistics each month in respect of all items or:

- (a) if the said index for any month in any year shall not have been published on or before the last day of the third month after such month such index for such month or months as the parties hereto agree produces as nearly as possible the same result shall be substituted or in default of the parties reaching agreement within six weeks after the last day of such three month period then as determined by a sole Chartered Accountant appointed by agreement by both parties or in the absence of agreement on the application of either party by the President of the **Electricity Arbitration Association** who shall act as an expert and whose decision shall be final and binding on the parties; or
- (b) if there is a material change in the basis of the said index, such other index as the parties agree produces as nearly as possible the same result shall be substituted or in default of the parties reaching agreement within six weeks after the occurrence of the material change

in the basis of the said index then as determined by the sole Chartered Accountant appointed by agreement by both parties or in the absence of agreement on the application of either party by the President of the **Electricity Arbitration Association** who shall act as an expert and whose decision shall be final and binding on the parties;

"Revised Indicative Annual HH TNUoS charge"	the value calculated in accordance with Appendix 2 paragraph 5;
"Revised Indicative Annual NHH TNUoS charge"	the value calculated in accordance with Appendix 2 paragraph 8;
"Revised Proposed Implementation Date"	the revision to a <b>Fixed Proposed Implementation Date</b> recommended to the <b>Authority</b> by the <b>CUSC Modifications Panel</b> pursuant to <b>CUSC</b> Paragraph 8.23.9.4;
"Safety Coordinator(s)"	a person or persons nominated by the Relevant Transmission Licensee and each User in relation to Connection Points (or in the case of <b>OTSUA</b> operational prior to the <b>OTSUA Transfer Time, Transmission Interface Points</b> ) to be responsible for the co-ordination of Safety Precautions (as defined in the Grid Code) at each Connection Point when work and/or testing is to be carried out on a system which necessitates the provision of Safety Precautions on HV Apparatus, pursuant to OC8;
"Safety Rules"	the rules of a <b>Relevant Transmission Licensee</b> or a <b>User</b> that seek to ensure that persons working on <b>Plant</b> and/or <b>Apparatus</b> to which the rules apply are safeguarded from hazards arising from the <b>System</b> ;
"Second Offer"	as defined in Paragraph 6.10.4;
"Secondary BM Unit"	as defined in the <b>Balancing and Settlement Code</b>
"Secondary Response"	as defined in the <b>Grid Code</b> ;
"Secretary of State"	has the meaning given to that term in the <b>Act</b> ;
"Secured Amount Statement"	a statement accompanying the <b>Bi-annual Estimate</b> setting out the amount to be secured by the <b>User</b> under Paragraph 2.21 based on figures contained in the <b>Bi-annual Estimate</b> being the amount for which security shall be provided to <b>The Company</b> pursuant to that Paragraph such statement to be substantially in the form set out in Exhibit M to the <b>CUSC</b> ;
"Secured Event"	as defined in the <b>Grid Code</b> ;
"Security Amendment"	the <b>Proposed Amendment</b> in respect of <b>Amendment Proposal 089\090\091</b> ;

<b>"Security Amendment Implementation Date"</b>	the <b>Implementation Date</b> of the <b>Security Amendment</b> ;
<b>"Security Amount"</b>	in respect of the <b>User</b> the aggregate of available amounts of each outstanding (a) <b>Letter of Credit</b> , (b) <b>Qualifying Guarantee</b> and (c) the principal amount (if any) of cash that the <b>User</b> has paid to the credit of the <b>Escrow Account</b> (and which has not been repaid to the <b>User</b> ); for the purpose of this definition, in relation to a <b>Letter of Credit</b> or <b>Qualifying Guarantee</b> "available amount" means the face amount thereof less (i) payments already made thereunder and (ii) claims made thereunder but not yet paid;
<b>"Security Cover"</b>	for each <b>User</b> , the <b>User's Security Requirement</b> less the <b>User's Allowed Credit</b> ;
<b>"Security Period"</b>	means the <b>First Security Period</b> and each 6 month period thereafter commencing on the 1 April or 1 October until 30 days after the relevant <b>Charging Date</b> ;
<b>"Security and Quality of Supply Standard"</b>	as defined in the <b>Grid Code</b> ;
<b>"Security Requirement"</b>	the aggregate amount for the time being which the <b>User</b> shall be required by <b>The Company</b> to provide and maintain by way of <b>Security Cover</b> and its <b>User's Allowed Credit</b> in accordance with Paragraph 3.22;
<b>"Security Standard"</b>	the <b>Security and Quality of Supply Standard</b> ;
<b>"Self-Governance Criteria"</b>	<p>a <b>CUSC Modification Proposal</b> that, if implemented,</p> <p>(a) is unlikely to have a material effect on:</p> <p>(i) existing or future electricity consumers; and</p> <p>(ii) competition in the generation, distribution, or supply of electricity or any commercial activities connected with the generation, distribution or supply of electricity; and</p> <p>(iii) the operation of the <b>National Electricity Transmission System</b>; and</p> <p>(iv) matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies; and</p> <p>(v) the <b>CUSC's</b> governance procedures or the <b>CUSC's</b> modification procedures, and</p> <p>(b) is unlikely to discriminate between different classes of <b>CUSC Parties</b>;</p> <p>c) other than where the modification meets the <b>Fast Track Criteria</b> will not constitute an <b>EBR Amendment</b>.</p>

<b>"Self-Governance Statement"</b>	<p>the statement made by the <b>CUSC Modifications Panel</b> and submitted to the <b>Authority</b>:</p> <p>(a) confirming that, in its opinion, the <b>Self-Governance Criteria</b> are met and the <b>CUSC Modification Proposal</b> is suitable for the self-governance route; and</p> <p>(b) providing a detailed explanation of the <b>CUSC Modification Panel's</b> reasons for that opinion;</p>
<b>"Separate Business"</b>	<p>the <b>Transmission Business</b> taken separately from any other business of <b>The Company</b>, but so that where all or any part of such business is carried out by an <b>Affiliate</b> or <b>Related Undertaking</b> of <b>The Company</b> such part of the business as is carried out by that <b>Affiliate</b> or <b>Related Undertaking</b> shall be consolidated with any other such business of <b>The Company</b> (and of any other <b>Affiliate</b> or <b>Related Undertaking</b>) so as to form a single <b>Separate Business</b>;</p>
<b>"Settlement Administration Agent (SAA)"</b>	<p>as defined in the <b>Balancing and Settlement Code</b>;</p>
<b>"Settlement Day"</b>	<p>as defined in the <b>Balancing and Settlement Code</b>;</p>
<b>"Settlement Period"</b>	<p>as defined in the <b>Balancing and Settlement Code</b>;</p>
<b>"Settlement Run"</b>	<p>as defined in the <b>Balancing and Settlement Code</b>;</p>
<b>"Shortfall Action Threshold Amount"</b>	<p>means the amount as notified by the <b>Authority</b> to <b>The Company</b> from time to time;</p>
<b>"Shortfall Application Date"</b>	<p>shall mean, as appropriate:</p> <ol style="list-style-type: none"> <li>1. <ul style="list-style-type: none"> <li>(a) the date by which the <b>User</b> has issued and served court proceedings on the <b>Developer</b> for the recovery of the <b>Cancellation Charge Shortfall</b>;</li> <li>or</li> <li>(b) the date by which the <b>User</b> has instigated <b>Insolvency Proceedings</b> against the <b>Developer</b> for the recovery of the <b>Cancellation Charge Shortfall</b>; or</li> <li>(c) where the <b>Developer</b> is the subject of <b>Insolvency Proceedings</b> instigated other than by the <b>User</b>, the date by which the <b>User</b> has submitted its claim for the <b>Cancellation Charge Shortfall</b> under these; or</li> </ul> </li> <li>2. such date (being an alternative to the dates in 1 above) as approved by the <b>Authority</b> following a request from the <b>User</b>; or</li> </ol>

3. where the **Cancellation Charge Shortfall** is less than the **Shortfall Action Threshold Amount** and the **User** has undertaken all preparatory steps necessary to undertake the activity in 1 above; the date which is 30 days (or the first **Business Day** following this) from the date of payment of the **Cancellation Charge** by the **User**;

**"Short Term Capacity"** the right to export on to the **National Electricity Transmission System** power in accordance with the provisions of **CUSC**;

**"Significant Code Review"** a review of one or more matters which the **Authority** considers is likely to:

- (a) relate to the **CUSC** (either on its own or in conjunction with other Industry Codes); and
- (b) be of particular significance in relation to its principal objective and/or general duties (under section 3A of the Act), statutory functions and/or relevant obligations arising under **Assimilated Law**, and

concerning which the **Authority** has issued a notice to the **CUSC Parties** (among others, as appropriate) stating:

- (i) that the review will constitute a significant code review;
- (ii) the start date of the significant code review; and
- (iii) the matters that will fall within the scope of the review;

**"Significant Code Review Phase"** the period commencing either:

- (i) on the start date of a **Significant Code Review** as stated in the notice issued by the **Authority**; or
- (ii) on the date the **Authority** makes a direction under Paragraph 8.17C (a "**Backstop Direction**")

and

ending either:

- (a) on the date on which the **Authority** issues a statement that no directions will be issued in relation to the **CUSC**; or
- (b) If no statement is made under Paragraph 8.17.11 or 8.17.6A, on the date which **The Company** has made a **CUSC Modification Proposal** in accordance with Paragraph 8.17.6, or the **Authority** makes a modification

proposal in respect of a **Significant Code Review** under Paragraph 8.17A.1:  
or

(c) Immediately, if neither a statement, a modification proposal nor directions are made by the **Authority** up to and including twenty eight (28) days from the **Authority's** publication of its **Significant Code Review** conclusions; or

(d) if a statement has been made under Paragraph 8.17.6A or a direction has been made under Paragraph 8.17C (a "**Backstop Direction**"), on the date specified in accordance with Paragraph 8.17.6A.

**"Single Site"**

Shall mean either;

1. For **Users** with a **Bilateral Connection Agreement**, the **Connection Site** as defined in the **Bilateral Connection Agreement**, or
2. For all other parties, as defined as 'Single Site' in the **DCUSA**

**"Site Common Drawings"**

as defined in the **Grid Code**;

**"Site Load"**

the sum of the **BM Unit Metered Volumes (QM<sub>ij</sub>)**, expressed as a positive number, of **BM Units** within the **Trading Unit** with QM<sub>i</sub> less than zero during the three **Settlement Periods** of the **Triad** (i.e.  $\sum QM_{ij}$  where  $QM_{ij} < 0$ ), which may comprise **Station Load** and **Additional Load**;

**"Site Responsibility Schedule"**

a schedule containing the information and prepared on the basis of the provisions set out in Appendix 1 of the **CC**;

**"Site Specific Maintenance Charge"**

the element of the **Connection Charges** relating to maintenance and repair calculated in accordance with the **Connection Charging Methodology**;

**"Site Specific Requirements"**

those requirements reasonably required by **The Company** in accordance with the **Grid Code** at the site of connection of a **Relevant Embedded Medium Power Station** or a **Relevant Embedded Small Power Station**;

**"Small Independent Generating Plant"**

a **Medium Power Station**;

**"Small Participant"**

(a) a generator, supplier, distributor, or new entrants to the electricity market in Great Britain that can demonstrate to the **Code Administrator** that it is resource-constrained and, therefore in particular need of assistance;

(b) any other participant or class of participant that the **Code Administrator** considers to be in particular need of assistance; and

(c) a participant or class of participant that the **Authority** has notified to the **Code Administrator** as being in particular need of assistance;

**"Small Power Station"**

as defined in the **Grid Code**;

"Small Power Station Trading Party"	a <b>Trading Party</b> trading on behalf of one or more <b>Small Power Stations</b> whether owned by the <b>Trading Party</b> or another person;
"SMRS"	as defined in the <b>Balancing and Settlement Code</b> ;
"Sole Trading Unit"	as defined in the <b>Balancing and Settlement Code</b> ;
"Standard CUSC Modification Proposal"	A <b>CUSC Modification Proposal</b> that does not fall within the scope of a <b>Significant Code Review</b> subject to any direction by the <b>Authority</b> pursuant to Paragraphs 8.17.3 and 8.17.4, nor meets the <b>Self-Governance Criteria</b> subject to any direction by the <b>Authority</b> pursuant to Paragraph 8.25.4 and in accordance with any direction under Paragraph 8.25.2;
"Statement of the Connection Charging Methodology"	the statement produced pursuant to and in accordance with condition E11 of the <b>ESO Licence</b> , as modified from time to time;
"Statement of Use of System Charges"	the statement produced pursuant to and in accordance with condition E10 of the <b>ESO Licence</b> , as modified from time to time;
"Statement of the Use of System Charging Methodology"	the statement produced pursuant to condition E10 of the <b>ESO Licence</b> , as modified from time to time;
"Station Demand"	<p>in respect of any generating station and <b>Generator</b>, means that consumption of electricity (excluding any supply to any <b>Customer</b> of the relevant <b>Generator</b> who is neither such <b>Generator</b> nor a member of a qualifying group of which such <b>Generator</b> is a part) from the <b>National Electricity Transmission System</b> or a <b>Distribution System</b> at premises on the same site as such generating station, with premises being treated as on the same site as each other if they are:</p> <ul style="list-style-type: none"> <li>(i) the same premises;</li> <li>(ii) immediately adjoining each other;</li> <li>(iii) separated from each other only by road, railway or watercourse or by other premises (other than a pipe-line, electric line or similar structure) occupied by the consumer in question or by any other person who together with that consumer forms a qualifying group; and for the purpose of this definition "generating station" and "qualifying group" shall have the meanings given those expressions when used in the Electricity (Class Exemptions from the Requirement for a Licence) Order 1990;</li> </ul>
"Station Load"	the <b>Station Load</b> is equal to the sum of the demand of <b>BM Units</b> solely comprising the <b>Station Transformers</b> within the <b>Power Station</b> . For the avoidance of doubt, <b>Station Load</b> excludes <b>BM Units</b> comprising <b>Additional Load</b> ;

"Station Transformer"	has the meaning given in the <b>Grid Code</b> ;
"Steam Unit"	a <b>Generating Unit</b> whose prime mover converts the heat energy in steam to mechanical energy;
"STC"	the <b>System Operator - Transmission Owner Code</b> entered into by <b>The Company</b> pursuant to the <b>ESO Licence</b> and by Transmission Licensees pursuant to the <b>Transmission Licence</b> respectively, and as from time to time revised in accordance with these Licences;
"Storage Facility Operator"	is a <b>User</b> or other entity who is responsible for the operation of an <b>Electricity Storage Facility</b>  the Transmission Network Use of System charge of that name as published by the Company in the Statement of Use of System Charges
"Storage Tariff"	
"STTEC"	the figure in MW (if any) for the <b>STTEC Period</b> granted by <b>The Company</b> in accordance with Paragraph 6.31 of the <b>CUSC</b> and specified as such in Appendix C of the relevant <b>Bilateral Connection Agreement</b> or <b>Bilateral Embedded Generation Agreement</b> ;
"STTEC Authorisation"	the authorisation notified by <b>The Company</b> for <b>Short Term Capacity</b> in accordance with the terms of Paragraph 6.3.1.6.1 in response to a <b>Request for a STTEC Authorisation</b> ;
"STTEC Charge"	being a component of the <b>Use of System Charges</b> which is made or levied by <b>The Company</b> and to be paid by the <b>User</b> for <b>STTEC</b> calculated in accordance with the <b>Charging Statements</b> ;
"STTEC Offer"	an offer made by <b>The Company</b> for <b>Short Term Capacity</b> in accordance with the terms of Paragraphs 6.31.6.2 and 6.31.6.3 in response to an <b>Application for a STTEC Offer</b> ;
"STTEC Period"	in the case of a <b>STTEC Authorisation</b> , a period of 28 days commencing on a Monday at 00.00 hours and finishing at 23.59 on a Sunday. In the case of a <b>STTEC Offer</b> , a period of either 28, 35, or 42 days (as specified by the <b>User</b> in its <b>STTEC Request Form</b> ) commencing on a Monday at 0.00 hours and finishing at 23.59 on a Sunday;
"STTEC Request"	either a <b>Request for a STTEC Authorisation</b> or an <b>Application for a STTEC Offer</b> ;
"STTEC Request Fee"	the non-refundable fee to be paid by the <b>User</b> to <b>The Company</b> as detailed in the <b>Charging Statements</b> ;
"STTEC Request Form"	the form set out in Exhibit P to the <b>CUSC</b> ;



"Subsidiary"	has the meaning given to that term in section 736A of the Companies Act 1985;
"Supplemental Agreement"	an agreement entered into pursuant to clause 2 of the <b>MCUSA</b> ;
"Supplier"	a person who holds a <b>Supply Licence</b> ;
"Supply Agreement"	an agreement between a <b>Non-Embedded Customer</b> and a <b>Supplier</b> for the supply of electricity to the <b>Non-Embedded Customer's Connection Site</b> ;
"Supplier Half Hourly Demand"	means <b>BM Unit Metered Volumes (QM<sub>ij</sub>)</b> expressed as a positive number (i.e. $\sum QM_{ij}$ ) of the <b>Trading Unit</b> during the three <b>Settlement Periods</b> of the <b>Triad</b> due to half-hourly metered imports;
"Supply Licence"	a licence granted under section 6(1)(d) of the <b>Act</b> ;
"Supplier Non Half-Hourly Demand"	means <b>BM Metered Volumes (QM<sub>ij</sub>)</b> expressed as a positive number (i.e. $\sum QM_{ij}$ ) of the <b>Trading Unit</b> over the charging year between <b>Settlement Periods</b> 33 to 38 due to Non-half-hourly metered imports;
"Supplier Volume Allocation"	as defined in the <b>Balancing and Settlement Code</b> ;
"Supplier Voting Sub-Group"	all <b>User(s)</b> in a <b>Voting Group</b> who are <b>Suppliers</b> ;
"SVA Storage Facility"	is an <b>Electricity Storage Facility</b> that: <ul style="list-style-type: none"> <li>i. performs <b>Electricity Storage</b> as its sole function;</li> <li>ii. is operated by a <b>Storage Facility Operator</b></li> <li>iii. has its imports and exports, measured only by <b>Half Hourly Metering Systems</b> which are registered in the <b>Supplier Meter Registration Service (SMRS)</b> as part of a <b>Supplier BM Unit</b>, and where those <b>Half Hourly Metering Systems</b> only measure activities necessary for performing <b>Electricity Storage</b>; and</li> <li>iv. is the subject of a valid <b>Declaration</b>.</li> </ul>
"Synchronous Compensation"	the operation of rotating synchronous apparatus for the specific purpose of either generation or absorption of <b>Reactive Power</b> ;
"Synchronised"	the condition where an incoming <b>BM Unit</b> or <b>CCGT Unit</b> or <b>System</b> is connected to the busbars of another <b>System</b> so that the <b>Frequencies</b> and phase relationships of that <b>BM Unit</b> or <b>CCGT Unit</b> or the <b>System</b> , as the case may be, and the <b>System</b> to which it is connected are identical;
"System Ancillary Services"	<b>Mandatory Ancillary Services</b> and <b>Part 2 System Ancillary Services</b> ;
"System"	any <b>User System</b> or the <b>National Electricity Transmission System</b> as the case may be;

<b>"System Restoration :</b>	(as defined in the <b>Grid Code</b> )"
<b>"System to Generator Operational Intertripping"</b>	as defined in the <b>Grid Code</b> ;
<b>"System to Generator Operational Intertripping Scheme"</b>	as defined in the <b>Grid Code</b> ;
<b>"Target Frequency"</b>	the <b>Frequency</b> determined by <b>The Company</b> in its reasonable opinion as the desired operating <b>Frequency</b> of the <b>Total System</b> . This will normally be 50.00 Hz plus or minus 0.05 Hz, except in exceptional circumstances as determined by <b>The Company</b> in its reasonable opinion. An example of exceptional circumstances may be difficulties caused in operating the <b>System</b> during disputes affecting fuel supplies;
<b>"TEC Increase Request"</b>	a request for an increase in <b>Transmission Entry Capacity</b> pursuant to <b>CUSC</b> paragraph 6.30.2;
<b>"TEC Register"</b>	the register set up by <b>The Company</b> pursuant to Paragraph 6.30.3.1;
<b>"TEC Trade"</b>	a trade between parties of their respective <b>Transmission Entry Capacity</b> ;
<b>"Tendered Capability Breakpoints"</b>	as defined in Paragraph 1.4 of Appendix 5 of Schedule 3, Part I;
<b>"Temporary Donated TEC"</b>	is the temporary MW reduction in the export rights of the <b>Temporary TEC Exchange Donor User</b> arising from acceptance of a <b>Temporary TEC Exchange Offer</b> ;
<b>"Temporary Received TEC"</b>	is at any time the <b>Temporary TEC Exchange Rate</b> ;
<b>"Temporary TEC Exchange Donor User"</b>	is a <b>User</b> that has jointly made a <b>Temporary TEC Exchange Rate Request</b> to reduce its rights to export for the duration of the <b>Temporary TEC Exchange Period</b> ;
<b>"Temporary TEC Exchange Notification of Interest Form"</b>	is the form set out in Exhibit X to the <b>CUSC</b> ;

"Temporary TEC Exchange Offer"	is an offer made by <b>The Company</b> for a <b>Temporary TEC Exchange Rate</b> in accordance with the terms of Paragraphs 6.34.4.6;
"Temporary TEC Exchange Period"	is a period within a <b>Financial Year</b> as specified in the <b>Temporary TEC Exchange Rate Request Form</b> being for a minimum of four weeks and commencing at 0.00 hours on a Monday and finishing at 23.59 on any given day no later than the last day of such <b>Financial Year</b> ;
"Temporary TEC Exchange Rate Request Fee"	is the single fee to be paid to <b>The Company</b> for a <b>Temporary TEC Exchange Rate Request</b> as detailed in the <b>Charging Statements</b> ;
"Temporary TEC Exchange Rate Request Form"	is the form set out in Exhibit W to the <b>CUSC</b> ;
"Temporary TEC Exchange Rate Request"	is a joint application made by a <b>Temporary TEC Exchange Donor User</b> and a <b>Temporary TEC Exchange Recipient User</b> for a <b>Temporary TEC Exchange Rate Offer</b> ;
"Temporary TEC Exchange Rate"	is a weekly profile of the additional export rights in MW available to the <b>Temporary TEC Exchange Recipient User</b> as a direct result of the temporary reduction in export rights in MW of the <b>Temporary TEC Exchange Donor User</b> ;
"Temporary TEC Exchange Recipient User"	is a <b>User</b> that has jointly made a <b>Temporary TEC Exchange Rate Request</b> to increase its rights to export for the duration of the <b>Temporary TEC Exchange Period</b> ;
"Temporary TEC Trade Exchange"	a trade made pursuant to CUSC Paragraph 6.34;
"Tenders"	as defined in Paragraph 3.3 of Schedule 3, Part I;
"Tenderers"	as defined in Paragraph 3.3 of Schedule 3, Part I;
"Tender Period"	as defined in Paragraph 3.3 of Schedule 3, Part I;
"Term"	without prejudice to the interpretation of <b>Term</b> in respect of <b>Users</b> acting in other capacities, for <b>Users</b> acting in respect of their <b>Connection Sites</b> which were not <b>Commissioned</b> at the <b>Transfer Date</b> , it means the term of the relevant <b>Bilateral Connection Agreement</b> commencing on the date of the <b>Bilateral Connection Agreement</b> and ending in accordance with Clause 9 of that agreement;
"Termination Amount"	in relation to a <b>Connection Site</b> , the amount calculated in accordance with the <b>Charging Statements</b> ;
"The Company"	has the meaning given to <b>NESO or National Energy System Operator</b> ;

**"The Company Credit Rating"**

any one of the following:-

- (a) a credit rating for long term debt of A- and A3 respectively as set by Standard and Poor's or Moody's respectively;
- (b) an indicative long term private credit rating of A- and A3 respectively as set by Standard and Poor's or Moody's as the basis of issuing senior unsecured debt;
- (c) a short term rating by Standard and Poor's or Moody's which correlates to a long term rating of A- and A3 respectively; or
- (d) where the **User's Licence** issued under the Electricity Act 1989 requires that User to maintain a credit rating, the credit rating defined in that **User's Licence**;

**"The Company's Engineering Charges"**

the charges levied by **The Company** in relation to an application for connection and/or use of the **National Electricity Transmission System**;

**"The Company Prescribed Level"**

the forecast value of the regulatory asset value of **NGET** for a **Financial Year** as set out in the document published from time to time by Ofgem setting this out and currently know as "Ofgem's Transmission Price Control Review of The Company – Transmission Owner Final Proposals" such values to be published on **The Company Website** by reference to **The Company** credit arrangements no later than 31 January prior to the beginning of the **Financial Year** to which such value relates;

**"Third Party Claim"**

as defined in Paragraph 7.5.3;

**"Third Party Works"**

in relation to a particular **User** those works, defined as such in its **Construction Agreement**; being works undertaken on assets belonging to someone other than a **Relevant Transmission Licensee** or the **User** where such works are required by **The Company** to enable it to provide the connection to and/or use of the **National Electricity Transmission System** by the **User** or required as a consequence of connection to and/or use of the **National Electricity Transmission System** by the **User**;

**TNUoS Tariff Forecast Timetable**

an annual timetable prepared and published by **The Company** by the end of January of each **Financial Year** (t) which sets out when **The Company** will publish updates in **Financial Year** (t+1) (being not less than quarterly) to the forecast of **Transmission Network Use of System Charges** for the **Financial** (t+2).

**"Total System"**

the **National Electricity Transmission System** and all **User Systems** in **Great Britain and Offshore**;

"Total System Chargeable HH Demand"	the total of all half-hourly metered <b>Demands</b> for which <b>HH Charges</b> are paid, taken over a period of time which may or may not be that to which <b>HH Charges</b> relate;
"Total System Chargeable NHH Demand"	the total of all half-hourly metered <b>Demands</b> for which <b>NHH Charges</b> are paid, taken over a period of time which may or may not be that to which <b>NHH Charges</b> relate.
"Trading Party"	as defined in the <b>Balancing and Settlement Code</b> ;
"Trading Unit"	as defined in the <b>Balancing and Settlement Code</b> ;
"Transfer Date"	"24.00" hours on 30th March 1990;
"Transfer Scheme"	schemes made under sections 65 and 66 of the <b>Act</b> and effected on the <b>Transfer Date</b> ;
"Transmission"	means, when used in conjunction with another term relating to equipment, whether defined or not, that the associated term is to be read as being part of or directly associated with the <b>National Electricity Transmission System</b> and not of or with the <b>User System</b> ;
"Transmission Business"	the authorised business of <b>The Company</b> or any <b>Affiliate</b> or <b>Related Undertaking</b> in the planning, development, construction and maintenance of the <b>National Electricity Transmission System</b> (whether or not pursuant to directions of the Secretary of State made under section 34 or 35 of the <b>Act</b> ) and the operation of such system for the transmission of electricity, including any business in providing connections to the <b>National Electricity Transmission System</b> but shall not include (i) any other <b>Separate Business</b> or (ii) any other business (not being a <b>Separate Business</b> ) of <b>The Company</b> or any <b>Affiliate</b> or <b>Related Undertaking</b> in the provision of services to or on behalf of any one or more persons;
"Transmission Charging Methodology Forum"	the charging methodology forum (and related arrangements) established to facilitate meetings between <b>The Company</b> and any other persons whose interests are materially affected by the applicable <b>Charging Methodologies</b> for the purpose of discussing the further development of the applicable <b>Charging Methodologies</b> ;
"Transmission Circuits"	as defined in the <b>NETS SQSS</b> ;
"Transmission Connection Assets"	the <b>Transmission Plant</b> and <b>Transmission Apparatus</b> necessary to connect the <b>User's Equipment</b> to the <b>National Electricity Transmission System</b> at any particular <b>Connection Site</b> in respect of which <b>The Company</b> charges <b>Connection Charges</b> (if any) as listed or identified in Appendix A to the <b>Bilateral Connection Agreement</b> relating to each such <b>Connection Site</b> ;

<b>"Transmission Demand Residual"</b>	the total sum of annual <b>Transmission Network Use of System</b> revenue to be recovered through the <b>Transmission Demand Residual Tariffs</b> from <b>Final Demand Sites</b> and <b>Unmetered Supplies</b> only;
<b>"Transmission Demand Residual Tariffs"</b>	the £/site <b>Transmission Network Use of System</b> tariffs or £/kWh <b>UMS Tariff</b> that are levied on <b>Final Demand Sites</b> and <b>Unmetered Supplies</b> only;
<b>"Transmission Connection Asset Works"</b>	in relation to a particular <b>User</b> , as defined in its <b>Construction Agreement</b> ;
<b>"Transmission Entry Capacity"</b>	the figure specified as such as set out in Appendix C of the relevant <b>Bilateral Connection Agreement</b> or <b>Bilateral Embedded Generation Agreement</b> ;
<b>"Transmission Impact Assessment"</b>	A means of conducting an <b>Evaluation of Transmission Impact</b> as more fully described in the <b>Bilateral Connection Agreement</b> ;
<b>"Transmission Interface Point"</b>	as defined in the <b>Grid Code</b> in the context of a <b>Construction Agreement</b> means the electrical point of connection between the <b>Offshore Transmission System</b> and an <b>Onshore Transmission System</b> as set out in the <b>Offshore Works Assumptions</b> .
<b>"Transmission Interface Site"</b>	the site at which the <b>Transmission Interface Point</b> is located;
<b>"Transmission Licence(s)"</b>	the transmission licence or licences granted to one or all of the Licensees: <b>NGET</b> , <b>SP Transmission Limited</b> , <b>Scottish Hydro Electric Transmission Limited</b> and any <b>Offshore Transmission Licensee</b> under section 6(1)(b) of Act. References to "transmission licensee" and "transmission licensees" will be construed in the CUSC accordingly;
<b>"Transmission Network Services"</b>	as defined in the <b>Transmission Licence</b> ;
<b>"Transmission Licensees Assets"</b>	The Plant and Apparatus owned by the <b>Relevant</b> Transmission Licensees necessary to connect the User's Equipment to the <b>National Electricity Transmission System</b> at any particular Connection Site in respect of which <b>The Company</b> charges Connection Charges (if any) as listed or identified in [Appendix A] to the Bilateral Agreement relating to each such Connection Site;
<b>"Transmission Network Use of System Charges"</b>	the element of <b>Use of System Charges</b> payable in respect of <b>Transmission Network Services</b> (including for the avoidance of doubt <b>Transmission</b>

	<b>Network Use of System Demand Reconciliation Charges and ET Use of System Charges);</b>
<b>"Transmission Network Use of System Demand Charges"</b>	that element of <b>Transmission Network Use of System Charges</b> relating to <b>Demand, Final Demand Sites</b> and <b>Unmetered Supply</b>
<b>"Transmission Network Use of System Demand Zone"</b>	each of the zones identified by <b>The Company</b> in the <b>Charging Statements</b> for charging of <b>Transmission Network Use of System Charges</b> in relation to <b>Demand</b> ;
<b>"Transmission Network Use of System Demand Reconciliation Charges"</b>	sums payable by the <b>User</b> to <b>The Company</b> under invoices issued to the <b>User</b> pursuant to Paragraph 3.12.7;
<b>"Transmission Owner Activity"</b>	The Function of the <b>Relevant</b> Transmission Licensees' Transmission Business as defined in the Transmission Licences;
<b>"Transmission Owner Price Index (TOPI)"</b>	The price index adjustment method as described in Part F of Special Condition 2.1 of the <b>Relevant Transmission Licensee's Transmission Licence</b> .
<b>"Transmission Related Agreement"</b>	an agreement between <b>The Company</b> and a <b>User</b> substantially in the form of Schedule 2 Exhibit 5;
<b>"Transmission Services Activity"</b>	as defined in the <b>Transmission Licence</b> ;
<b>"Transmission Services Use of System Charges"</b>	the element of <b>Use of System Charges</b> payable in respect of the <b>Transmission Services Activity</b> ;
<b>"Transmission Reinforcement Works"</b>	in relation to a particular <b>User</b> , as defined in its <b>Construction Agreement</b> or <b>BELLA</b> as appropriate;
<b>"Transmission Voltage"</b>	In Scotland voltages of 132kV and above; in England and Wales voltages above 132kV – usually 275kV and 400kV;
<b>"Transmission Works Register"</b>	the register set up by <b>The Company</b> pursuant to Paragraph 6.36.1;
<b>"Transmission Works"</b>	in relation to a particular <b>User</b> , those works which are specified in Appendix H or identified as <b>OTSDUW</b> in to the relevant <b>Construction Agreement</b> ;
<b>"Triad"</b>	is used as a short hand way to describe the three <b>Settlement Periods</b> of highest transmission systems <b>Demand</b> , namely the half hour <b>Settlement Period</b> of system peak <b>Demand</b> and the two half hour <b>Settlement Periods</b> of next highest <b>Demand</b> , which are separated from the system peak <b>Demand</b>

	and from each other by at least <b>10 Clear Days</b> , between November to February inclusive;
<b>"Trigger Date"</b>	as identified by <b>The Company</b> in accordance with Part Two of the <b>User Commitment Methodology</b> and in relation to a particular <b>User</b> as defined in its <b>Construction Agreement</b> ;
<b>"UMS Base Percentage"</b>	the % value of the relevant <b>Security Period</b> as specified in the table in paragraph 2B Section 3, Appendix 2
<b>"UMS Charges"</b>	that element of <b>Transmission Network Use of System Demand Charges</b> relating to <b>Unmetered Supply</b> .
<b>"UMS Base Value at Risk"</b>	the sum as calculated in accordance with Paragraph 3.23.4b
<b>"UMS Tariff"</b>	a <b>Transmission Demand Residual Tariff</b> levied on <b>Unmetered Supplies</b> ;
<b>"Unmetered Supply Volume"</b>	the amount of <b>Energy</b> associated with <b>Unmetered Supply</b>
<b>"Unmetered Supply Volume Forecast"</b>	the forecast, produced by <b>The Company</b> , of the <b>Unmetered Supply Volume</b> .
<b>Unacceptable Operating Condition</b>	<p>a failure of <b>Plant</b> and <b>Apparatus</b> forming part of the <b>National Electricity System Transmission System</b> that results in the following effect at the <b>Connection Site</b>:</p> <ul style="list-style-type: none"> <li>i) the loss of one or more phases causing an energy unbalance (<b>Grid Code</b> CC6.1.6);</li> <li>ii) frequency being outside the ranges listed in <b>Grid Code</b> CC6.1.3;</li> <li>iii) voltages being outside values stated in <b>Grid Code</b> CC6.1.4;</li> <li>iv) loss of synchronising signal to an <b>Export BMU Unit</b>;</li> </ul>
<b>"Undertaking"</b>	as defined in section 259 of the Companies Act 1985;
<b>"Unmetered Supply"</b>	as defined in the <b>Balancing and Settlement Code</b> ;
<b>"Unsecured Credit Cover"</b>	the maximum amount of unsecured credit available to each <b>User</b> for the purposes of Part III of Section 3 of the <b>CUSC</b> at any time which shall be a sum equal to 2% of the <b>The Company Prescribed Level</b> in the relevant <b>Financial Year</b> ;
<b>"Unusual Load Characteristics"</b>	loads which have characteristics which are significantly different from those of the normal range of domestic, commercial and industrial loads (including loads which vary considerably in duration or magnitude);
<b>"Urgent CUSC Modification Proposal"</b>	an <b>CUSC Modification Proposal</b> treated or to be treated as an <b>Urgent CUSC Modification Proposal</b> in accordance with Paragraph 8.24;



<b>"Use of System"</b>	use of the <b>National Electricity Transmission System</b> for the transport of electricity by any <b>Authorised Electricity Operator</b> or <b>Interconnector User</b> or <b>Interconnector Error Administrator</b> ;
<b>"Use of System Application"</b>	an application for a <b>Bilateral Embedded Generation Agreement</b> or for <b>Use of System</b> in the form or substantially in the form set out in Exhibit D or F to the <b>CUSC</b> as appropriate;
<b>"Use of System Charges"</b>	charges made or levied or to be made or levied by <b>The Company</b> for the provision of services as part of the <b>Transmission Business</b> to any <b>Authorised Electricity Operator</b> as more fully described at condition E10 of the <b>ESO Licence</b> and in the <b>Bilateral Agreements</b> and Section 3 and Section 9 Part II but which shall not include <b>Connection Charges</b> ;
<b>"Use of System Charging Methodology"</b>	as defined in the <b>Transmission Licence</b> and set out in Section 14;
<b>"Use of System Interconnector Confirmation Notice"</b>	the part of the <b>Use of System Interconnector Offer and Confirmation Notice</b> by which <b>The Company</b> confirms the use of the <b>National Electricity Transmission System</b> by an <b>Interconnector User</b> or an <b>Interconnector Error Administrator</b> ;
<b>"Use of System Interconnector Offer and Confirmation Notice"</b>	the notice which combines the offer and confirmation in relation to the use of the <b>National Electricity Transmission System</b> by an <b>Interconnector User</b> or an <b>Interconnector Error Administrator</b> , in the form set out in Exhibit H to the <b>CUSC</b> ;
<b>"Use of System Interconnector Offer Notice"</b>	the part of the <b>Use of System Interconnector Offer and Confirmation Notice</b> by which <b>The Company</b> offers an <b>Interconnector User</b> or an <b>Interconnector Error Administrator</b> use of the <b>National Electricity Transmission System</b> ;
<b>"Use of System Offer"</b>	an offer (or in the case of a use of system generation offer and where appropriate, offers) made by <b>The Company</b> to a <b>User</b> pursuant to Paragraph 3.7 or 9.19 substantially in the form of <b>Exhibit G</b> (Use of System Supply Offer) or <b>Exhibit E</b> (Use of System Generation Offer) or <b>Exhibit H</b> (Use of System Interconnector Offer) or Exhibit 7 Schedule 2 (Use of System Virtual Lead Party Offer) to the <b>CUSC</b> ;
<b>"Use of System Payment Date"</b>	the date for payment of <b>Use of System Charges</b> ;
<b>"Use of System Supply Confirmation Notice"</b>	the part of the <b>Use of System Supply Offer and Confirmation Notice</b> by which <b>The Company</b> confirms the use of the <b>National Electricity Transmission System</b> by a <b>Supplier</b> ;
<b>"Use of System Supply Offer and Confirmation Notice"</b>	the notice which combines the offer and confirmation in relation to the use of the <b>National Electricity Transmission System</b> by a <b>Supplier</b> , in the form set out in Exhibit G to the <b>CUSC</b> ;

"Use of System Supply Offer Notice"	the part of the <b>Use of System Supply Offer and Confirmation Notice</b> by which <b>The Company</b> offers a <b>Supplier</b> use of the <b>National Electricity Transmission System</b> ;
"User"	a person who is a party to the <b>CUSC Framework Agreement</b> other than <b>The Company</b> ;
"User Commitment Methodology"	the methodology and principles applied by <b>The Company</b> in the application and calculation of the <b>Cancellation Charge</b> and <b>Cancellation Charge Secured Amount</b> such principles being set out in <b>CUSC</b> Section 15;
"User Development"	shall have the meaning set out in the <b>Connection Application</b> or the <b>Use of System Application</b> as the case may be;
"User Progression Milestones"	the <b>Conditional Progression Milestones</b> and <b>Construction Progression Milestones</b> used for the purposes of the <b>Queue Management Process</b> to demonstrate that a <b>User</b> is progressing with that <b>User's</b> project to the required timescales for that <b>User's</b> project, the <b>User Progression Milestones</b> for a <b>User</b> (derived in accordance with <b>CUSC</b> Section 16) being set out in Appendix Q of the <b>Construction Agreement</b> relating to a specific <b>User's</b> project;
"User's Allowed Credit"	that proportion of the <b>Unsecured Credit Cover</b> extended to a <b>User</b> by <b>The Company</b> as calculated in accordance with Paragraph 3.26;
"User Emergency Deenergisation"	the <b>Deenergisation</b> of the <b>User's Equipment</b> or equipment for which that <b>User</b> is responsible (as defined in Section K of the <b>Balancing and Settlement Code</b> ) by a <b>User</b> pursuant to <b>CUSC</b> Paragraph 5.2.2 or by automatic means as a direct consequence of an <b>Unacceptable Operating Condition</b> ;
"User's Equipment"	Means;  4) the <b>Plant</b> and <b>Apparatus</b> owned by a <b>User</b> (ascertained in the absence of agreement to the contrary by reference to the rules set out in Paragraph 2.12) which: (a) is connected to (or in the case of <b>OTSDUW Build</b> will, at the <b>OTSUA Transfer Time</b> , be connected to) the <b>Transmission Connection Assets</b> forming part of the <b>National Electricity Transmission System</b> at any particular <b>Connection Site</b> to which that <b>User</b> wishes so to connect, or (b) is connected to a <b>Distribution System</b> to which that <b>User</b> wishes so to connect but excluding for the avoidance of doubt any <b>OTSUA</b> ;

#### 5) VLP Assets

"User's Licence"	a <b>User's</b> licence to carry on its business granted pursuant to Section 6 of the <b>Act</b> ;
"User System"	any system owned or operated by a <b>User</b> comprising <b>Generating Units</b> and/or <b>Distribution Systems</b> (and/or other systems consisting (wholly or mainly) of electric lines which are owned or operated by a person other than a <b>Public Distribution System Operator</b> and <b>Plant</b> and/or <b>Apparatus</b> (including in the case of <b>OTSDUW Build</b> , any <b>OTSUA</b> prior to the <b>OTSUA Transfer Time</b> ) connecting <b>Generating Units</b> , <b>Distribution Systems</b> (and/or other systems consisting wholly or mainly of electric lines which are owned or operated by a person other than a <b>Public Distribution System Operator</b> or <b>Non-Embedded Customers</b> to the <b>National Electricity Transmission System</b> or (except in the case of <b>Non-Embedded Customers</b> ) to the relevant other <b>User System</b> , as the case may be, including any <b>Remote Transmission Assets</b> operated by such <b>User</b> or other person and any <b>Plant</b> and/or <b>Apparatus</b> and meters owned or operated by such <b>User</b> or other person in connection with the distribution of electricity but does not include any part of the <b>National Electricity Transmission System</b> ;
"Utilities Act 2000"	Electricity Act 1989, as amended by the Utilities Act 2000;
"Valid"	valid for payment to be made thereunder against delivery of a <b>Notice of Drawing</b> given within the period stated therein;
"Value Added Tax"	United Kingdom value added tax or any tax supplementing or replacing the same;
"Value At Risk Amendment"	the <b>Proposed Amendment</b> in respect of <b>Amendment Proposal 127</b> ;
"Value At Risk Amendment Implementation Date"	the <b>Implementation Date</b> of the <b>Value At Risk Amendment</b> ;
"Value At Risk Amendment Implementation End Date"	the date one year following the <b>Value At Risk Amendment Implementation Date</b> ;
"Voting Group"	as defined in Paragraph 8A.3.1.2;
"Voting Sub-Group"	the Demand Voting Sub-Group, Generation Voting Sub-Group, Interconnector Voting Sub-Group and/or Supply Voting Sub-Group.
"Virtual Lead Party (VLP)"	as defined in the <b>Balancing and Settlement Code</b>
"Virtual Lead Party Agreement (VLPA)"	An agreement entered into pursuant to Paragraph 1.3.1 a form of which is set out in Exhibit 7 to Schedule 2;

<b>"VLP Assets"</b>	Equipment owned or operated by a <b>Virtual Lead Party</b> which is part of a <b>Secondary BM Unit</b>
<b>"Website"</b>	the site established by <b>The Company</b> on the World-Wide Web for the exchange of information among <b>CUSC Parties</b> and other interested persons in accordance with such restrictions on access as may be determined from time to time by <b>The Company</b> ;
<b>"Week"</b>	means a period of seven <b>Calendar Days</b> commencing at 05.00 hours on a Monday and terminating at 05.00 hours on the next following Monday;
<b>"Weekly Maximum Generation Declaration"</b>	has the meaning attributed to it in Paragraph 4.2.3.1;
<b>"Wider Cancellation Charge"</b>	a component of the <b>Cancellation Charge</b> that applies on and after the <b>Trigger Date</b> as more particularly described in Part Two of the <b>User Commitment Methodology</b> ;
<b>"Wider Transmission Reinforcement Works"</b>	in relation to a particular <b>User</b> means those <b>Transmission Reinforcement Works</b> other than the <b>Enabling Works</b> and which are specified in the relevant <b>Construction Agreement</b> ;
<b>"Workgroup"</b>	a <b>Workgroup</b> established by the <b>CUSC Modifications Panel</b> pursuant to Paragraph 8.20.1;
<b>"Workgroup Consultation"</b>	as defined in Paragraph 8.20.13, and any further consultation which may be directed by the <b>CUSC Modifications Panel</b> pursuant to Paragraph 8.20.20
<b>"Workgroup Consultation Alternative Request"</b>	any request from a <b>CUSC Party</b> , a <b>BSC Party</b> the <b>Citizens Advice</b> or the <b>Citizens Advice Scotland</b> for a <b>Workgroup Alternative CUSC Modification</b> to be developed by the <b>Workgroup</b> expressed as such and which contains the information referred to at Paragraph 8.20.16. For the avoidance of doubt any <b>WG Consultation Alternative Request</b> does not constitute either a <b>CUSC Modification Proposal</b> or a <b>Workgroup Alternative CUSC Modification</b> ;
<b>"Workgroup Alternative CUSC Modification"</b>	an alternative modification to the <b>CUSC Modification Proposal</b> developed by the <b>Workgroup</b> under the <b>Workgroup</b> terms of reference (either as a result of a <b>Workgroup Consultation</b> or otherwise) and which is believed by a majority of the members of the <b>Workgroup</b> or by the chairperson of the <b>Workgroup</b> to better facilitate the <b>Applicable CUSC Objectives</b> than the <b>CUSC Modification Proposal</b> or the current version of the <b>CUSC</b> .

## ANNEX 1 – INTERPRETATION AND DEFINITIONS

*Insert the following new definitions in alphabetical order:*

**“Authority Led CUSC Modification”**

a proposal to modify the **CUSC** which directly arises from a **Significant Code Review** and where the process of the modification is led by the **Authority** in accordance with its **SCR Guidance**;

**“Authority Led CUSC Modification Proposal”**

a proposal for an Authority Led CUSC Modification which has been submitted pursuant to and in accordance with Section 8 Paragraph 8.17B;

**“Authority Led CUSC Modification Report”**

means, in relation to an Authority Led CUSC Modification Proposal, the report prepared pursuant to and in accordance with Section 8 Paragraph 8.17B.2;

**“Backstop Direction”**

has the meaning given to it in Section 8 Paragraph 8.17C;

**“SCR Guidance”**

means, any document of that title created, published as amended from time to time, by the **Authority** to provide guidance to interested parties on the conduct of a **Significant Code Review** by the Authority;

**END OF SECTION 11**