

Example 1, LOTI works not included

Exhibit MM1  
Cancellation Charge Statement  
Dated 02/07/2025

Project Name: XXX 1  
User: XXX1 Limited  
Connection Site: XXX kV Substation  
Agreement Reference: XXX

Cancellation Charge

The Cancellation Charge (excluding VAT) which will or might fall due on termination of the Construction Agreement during the period commencing on and including 1 April 2025 and ending on and including 30 September 2025 is:

£1,541,448.07

This figure is based on:

1. Estimate of Actual Attributable Works Cancellation Charge

£1,541,448.07

2. Wider Cancellation Charge

£0.00

Wider Cancellation Charge calculation methodology: Zonal Amount x TEC x Percentage

Calculation parameters:

ETYS Zone: XX  
Zonal Amount: £100.00  
TEC: 100.00  
Percentage: 0.00 %

For and on behalf of  
National Energy System Operator Limited

End of Exhibit MM1

Exhibit MM2  
Cancellation Charge Secured Amount Statement  
Dated 02/07/2025

Project Name: XXX 1  
User: XXX1 Limited  
Connection Site: XXX kV Substation  
Agreement Reference: XXX

The Cancellation Charge Secured Amount for the period commencing on and including 1 April 2025 and ending on and including 30 September 2025 is:

£1,849,737.68

The Cancellation Charge Secured Amount is based upon 100% of the Cancellation Charge for this period (£1,541,448.06 plus VAT), as set out in Exhibit MM1 Cancellation Charge Statement.

For and on behalf of  
National Energy System Operator Limited

End of Exhibit MM2

Exhibit MM3  
Notification of Fixed Attributable Works Cancellation Charge  
Dated 02/07/2025

Project Name: XXX 1  
User: XXX1 Limited  
Connection Site: XXX1 KV Substation  
Agreement Reference: XXX

Financial Year	Pre Trigger Amount	TEC (MW)	Fixed Cancellation Charge
1 Apr 2025 - 31 Mar 2026	£3000	100	£300,000
1 Apr 2026 - 31 Mar 2027	£3000	100	£300,000

Financial Year	Attributable Works Cancellation Amount	Cancellation Charge Profile (%)	Fixed Cancellation Charge
1 Apr 2027 - 31 Mar 2028	£19,266,277.62	25	£4,816,569.40
1 Apr 2028 - 31 Mar 2029	£19,266,277.62	50	£9,633,138.81
1 Apr 2029 - 31 Mar 2030	£19,266,277.62	75	£14,449,708.21
1 Apr 2030 - 31 Mar 2031	£19,266,277.62	100	£19,266,277.62

Fixed Attributable Works Cancellation Amount based on

Component	Attributable Works Capital Cost	LARF (%)	SIF (%)	Distance Factor (%)	Attributable Works Cancellation Amount
Reinforcement works	£109,226,000.00	14.00	18.81	100	£17,666,226.52
Substation works	£12,698,129.00	33.00	18.81	100	£1,600,051.10

# Example 1 LOTI works included

Exhibit MM1  
Cancellation Charge Statement  
Dated 02/07/2025

Project Name: XXX1  
User: XXX1 Limited  
Connection Site: xxx kV Substation  
Agreement Reference: xxx

Cancellation Charge

The Cancellation Charge (excluding VAT) which will or might fall due on termination of the Construction Agreement during the period commencing on and including 1 April 2025 and ending on and including 30 September 2025 is:

£61,144,884.41

This figure is based on:

1. Estimate of Actual Attributable Works Cancellation Charge

£61,144,884.41

2. Wider Cancellation Charge

£0.00

Wider Cancellation Charge calculation methodology: Zonal Amount x TEC x Percentage

Calculation parameters:

ETYS Zone: xx  
Zonal Amount: £1000.00  
TEC: 100.00  
Percentage: 0.00 %

For and on behalf of  
National Energy System Operator Limited

End of Exhibit MM1

Exhibit MM2  
Cancellation Charge Secured Amount Statement  
Dated 02/07/2025

Project Name: XXX1  
User: XXX1 Limited  
Connection Site: xxx kV Substation  
Agreement Reference: xxx

The Cancellation Charge Secured Amount for the period commencing on and including 1 April 2025 and ending on and including 30 September 2025 is:

£73,373,861.28

The Cancellation Charge Secured Amount is based upon 100% of the Cancellation Charge for this period (£61,144,884.40 plus VAT), as set out in Exhibit MM1 Cancellation Charge Statement.

For and on behalf of  
National Energy System Operator Limited

End of Exhibit MM2

Exhibit MM3  
Notification of Fixed Attributable Works Cancellation Charge  
Dated 02/07/2025

Project Name: XXX1  
User: XXX1 Limited  
Connection Site: xxx kV Substation  
Agreement Reference: xxx

Financial Year	Pre Trigger Amount	TEC (MW)	Fixed Cancellation Charge
1 Apr 2025 - 31 Mar 2026	£3000	100	£300,000
1 Apr 2026 - 31 Mar 2027	£3000	100	£300,000

Financial Year	Attributable Works Cancellation Amount	Cancellation Charge Profile (%)	Fixed Cancellation Charge
1 Apr 2027 - 31 Mar 2028	£419,474,056.80	25	£104,868,514.20
1 Apr 2028 - 31 Mar 2029	£419,474,056.80	50	£209,737,028.40
1 Apr 2029 - 31 Mar 2030	£419,474,056.80	75	£314,605,542.60
1 Apr 2030 - 31 Mar 2031	£419,474,056.80	100	£419,474,056.80

Fixed Attributable Works Cancellation Amount based on

Component	Attributable Works Capital Cost	LARF (%)	SIF (%)	Distance Factor (%)	Attributable Works Cancellation Amount
LOTI	£1,617,001,128.00	10.00	27.50	100	£400,207,779.18
reinforcement works	£109,226,000.00	14.00	18.81	100	£17,666,226.52
Substation works	£12,698,129.00	33.00	18.81	100	£1,600,051.10

# Example 2 no asti

## Exhibit MM1 Cancellation Charge Statement Dated 27/05/2025

Project Name: XXX2  
User: XXX2 Limited  
Connection Site: xxx kv Substation  
Agreement Reference: xxx

### Cancellation Charge

The Cancellation Charge (excluding VAT) which will or might fall due on termination of the Construction Agreement during the period commencing on and including 1 April 2025 and ending on and including 30 September 2025 is:

**£43,126.50**

This figure is based on:

#### 1. Estimate of Actual Attributable Works Cancellation Charge

£43,126.50

#### 2. Wider Cancellation Charge

£0.00

Wider Cancellation Charge calculation methodology: Zonal Amount x TEC x Percentage

Calculation parameters:

ETYS Zone: xx  
Zonal Amount: £100.00  
TEC: 100.00  
Percentage: 0.00 %

## Exhibit MM2 Cancellation Charge Secured Amount Statement Dated 27/05/2025

Project Name: XXX2  
User: XXX2 Limited  
Connection Site: xxx kv Substation  
Agreement Reference: xxx

The Cancellation Charge Secured Amount for the period commencing on and including 1 April 2025 and ending on and including 30 September 2025 is:

**£51,751.79**

The Cancellation Charge Secured Amount is based upon 100% of the Cancellation Charge for this period (£43,126.49 plus VAT), as set out in Exhibit MM1 Cancellation Charge Statement.

For and on behalf of  
National Energy System Operator Limited

End of Exhibit MM2

## Exhibit MM3 Notification of Fixed Attributable Works Cancellation Charge Dated 27/05/2025

Project Name: XXX2  
User: XXX 2 Limited  
Connection Site: xxx KV Substation  
Agreement Reference: xxx

Financial Year	Pre Trigger Amount	TEC (MW)	Fixed Cancellation Charge
1 Apr 2025 - 31 Mar 2026	£1000	100	£100,000
1 Apr 2026 - 31 Mar 2027	£2000	100	£200,000
1 Apr 2027 - 31 Mar 2028	£3000	100	£300,000
1 Apr 2028 - 31 Mar 2029	£3000	100	£300,000
1 Apr 2029 - 31 Mar 2030	£3000	100	£300,000
1 Apr 2030 - 31 Mar 2031	£3000	100	£300,000

Financial Year	Attributable Works Cancellation Amount	Cancellation Charge Profile (%)	Fixed Cancellation Charge
1 Apr 2031 - 31 Mar 2032	£4,312,648.34	25	£1,078,162.09
1 Apr 2032 - 31 Mar 2033	£4,312,648.34	50	£2,156,324.17
1 Apr 2033 - 31 Mar 2034	£4,312,648.34	75	£3,234,486.26
1 Apr 2034 - 31 Mar 2035	£4,312,648.34	100	£4,312,648.34

Fixed Attributable Works Cancellation Amount based on

Component	Attributable Works Capital Cost	LARF (%)	SIF (%)	Distance Factor (%)	Attributable Works Cancellation Amount
substation works	£16,892,994.00	33.00	38.10	100	£4,312,648.34

# Example 2 ASTI

## Exhibit MM1 Cancellation Charge Statement Dated 08/04/2025

Project Name: XXX2  
User: XXX2 Limited  
Connection Site: xxx kV Substation  
Agreement Reference: xxx

### Cancellation Charge

The Cancellation Charge (excluding VAT) which will or might fall due on termination of the Construction Agreement during the period commencing on and including 1 April 2025 and ending on and including 30 September 2025 is:

£5,497,817.19

This figure is based on:

#### 1. Estimate of Actual Attributable Works Cancellation Charge

£5,497,817.19

#### 2. Wider Cancellation Charge

£0.00

Wider Cancellation Charge calculation methodology: Zonal Amount x TEC x Percentage

Calculation parameters:

ETYS Zone: xx  
Zonal Amount: £100  
TEC: 100.00  
Percentage: 0.00 %

For and on behalf of  
National Energy System Operator Limited

End of Exhibit MM1

## Exhibit MM2 Cancellation Charge Secured Amount Statement Dated 08/04/2025

Project Name: XXX2  
User: XXX2 Limited  
Connection Site: xxx kV Substation  
Agreement Reference: xxx

The Cancellation Charge Secured Amount for the period commencing on and including 1 April 2025 and ending on and including 30 September 2025 is:

£6,597,380.62

The Cancellation Charge Secured Amount is based upon 100% of the Cancellation Charge for this period (£5,497,817.19 plus VAT), as set out in Exhibit MM1 Cancellation Charge Statement.

For and on behalf of  
National Energy System Operator Limited

End of Exhibit MM2

## Exhibit MM3 Notification of Fixed Attributable Works Cancellation Charge Dated 08/04/2025

Project Name: XXX2  
User: XXX2 Limited  
Connection Site: xxx kV Substation  
Agreement Reference: xxx

Financial Year	Pre Trigger Amount	TEC (MW)	Fixed Cancellation Charge
1 Apr 2025 - 31 Mar 2026	£1000	100	£100,000.00
1 Apr 2026 - 31 Mar 2027	£2000	100	£200,000
1 Apr 2027 - 31 Mar 2028	£3000	100	£300,000
1 Apr 2028 - 31 Mar 2029	£3000	100	£300,000
1 Apr 2029 - 31 Mar 2030	£3000	100	£300,000
1 Apr 2030 - 31 Mar 2031	£3000	100	£300,000

Financial Year	Attributable Works Cancellation Amount	Cancellation Charge Profile (%)	Fixed Cancellation Charge
1 Apr 2031 - 31 Mar 2032	£143,420,534.63	25	£35,855,133.66
1 Apr 2032 - 31 Mar 2033	£143,420,534.63	50	£71,710,267.31
1 Apr 2033 - 31 Mar 2034	£143,420,534.63	75	£107,565,400.97
1 Apr 2034 - 31 Mar 2035	£143,420,534.63	100	£143,420,534.63

Fixed Attributable Works Cancellation Amount based on

Component	Attributable Works Capital Cost	LARF (%)	SIF (%)	Distance Factor (%)	Attributable Works Cancellation Amount
Substation works	£16,892,994.00	33.00	38.10	100	£4,312,648.34
ASTI works	£430,665,000.00	5.00	34.00	100	£139,107,886.29