

**DATED [ \_\_\_\_\_ ] 200[ ]**

**NATIONAL GRID ELECTRICITY TRANSMISSION PLC (1)**

**and**

**[ \_\_\_\_\_ ] (2)**

---

**FAST RESERVE  
FRAMEWORK AGREEMENT**

---

**CONTRACT LOG NO:**

***[NOTE Where Provider has an existing Fast Reserve clause in its CSA, Framework Agreement to be signed in conjunction with CSA Amending Agreement]***

**SUBJECT TO CONTRACT**

**Draft:**

**Date:**

**Ref: FRSC#1**

THIS **FAST RESERVE FRAMEWORK AGREEMENT** is made on the [ ] day of [ ] 200[ ]

## **BETWEEN**

- (1) **NATIONAL GRID ELECTRICITY TRANSMISSION PLC** a company registered in England and Wales with number 2366977 whose registered office is at 1-3 Strand, London, WC2N 5EH ("**National Grid**", which expression shall include its successors and/or permitted assigns); and
- (2) [ ] a company registered in [ ] with number [ ] whose registered office is at [ ] ("**Fast Reserve Provider**", which expression shall include its successors and/or permitted assigns).

## **WHEREAS**

- (A) This **Fast Framework Agreement** is entered into in respect of one or more **Contracted BM Unit(s)** and/or **Contracted Site(s)** owned and/or operated by the **Fast Reserve Provider** in anticipation of the submission by the **Fast Reserve Provider** of **Firm Fast Reserve Tenders** in respect of such **Contracted BM Unit(s)** and/or **Contracted Site(s)**, and in anticipation of the provision by the **Fast Reserve Provider** of **Optional Fast Reserve**.
- (B) Accordingly, the applicable provisions of this **Fast Reserve Framework Agreement** shall apply with respect to each **Firm Fast Reserve Tender** submitted by the **Fast Reserve Provider**, and with respect to each relevant **Contracted BM Unit** or **Contracted Site** (as the case may be) shall form part of each and any **Fast Reserve Contract** formed in relation thereto.

**NOW IT IS HEREBY AGREED** as follows:

### **1. DEFINITIONS, INTERPRETATION AND CONSTRUCTION**

Unless the subject matter or context otherwise requires or is inconsistent therewith, and unless defined herein, terms and expressions defined in Section 6 of the **Standard Contract Terms** have the same meanings, interpretations or constructions in this **Fast Reserve Framework Agreement**. Unless the subject matter or context otherwise requires or is inconsistent therewith, in this **Fast Reserve Framework Agreement** the terms set out in Appendix 1 shall have the meanings set out respectively therein.

### **2. STANDARD CONTRACT TERMS**

- 2.1** Subject to Sub-Clause 2.2, the **Parties** hereby agree to be bound by, and to comply with, the applicable provisions of the **Standard Contract Terms** with respect to the submission of **Fast Reserve Tenders** and any **Fast Reserve Contract** formed pursuant thereto.

2.2 The **Standard Contract Terms** shall be read and construed subject to the **Special Conditions** (if any) set out in Appendix 2.

2.3 The **Fast Reserve Provider** agrees that the relevant provisions as to determination of the payments to be made between **National Grid** and the **Fast Reserve Provider** in consequence of events of default set out in Section 3 (in the case of **Contracted BM Units**) or Section 4 (in the case of **Contracted Sites**) of the **Standard Contract Terms** are reasonable in light of the anticipated harm and the difficulty of estimating or calculating actual damages. The **Fast Reserve Provider** accordingly waives the right to contest those provisions as an unreasonable penalty or otherwise.

### 3. COMMENCEMENT AND TERM

This **Fast Reserve Framework Agreement** shall come into force on the date hereof and shall continue in force and effect until terminated by either **Party** by not less than two months' notice in writing to the other (but not so as to expire during the subsistence of any **Fast Reserve Contract** in respect of any **Firm Contracted BM Unit** or **Firm Contracted Site**) or until earlier termination in accordance with the **Standard Contract Terms**.

### 4. PROVISION OF FAST RESERVE

4.1 Without limiting the generality of Sub-Clause 2.1, upon the formation of each **Fast Reserve Contract** pursuant to and in accordance with the **Standard Contract Terms**, the **Fast Reserve Provider** hereby agrees to provide **Fast Reserve** to **National Grid** from the relevant **Contracted BM Unit** or **Contracted Site** (as the case may be) upon and subject to the applicable terms and conditions set out in the **Standard Contract Terms** and in accordance with Clause 5.

4.2 For the purposes of this **Fast Reserve Framework Agreement** and paragraphs 3.1.2 or 4.1.2 (as the case may be) and 5.1.2 of the **Standard Contract Terms**, the **Parties** hereby agree that, where the **Fast Reserve Contract** so provides, the **Fast Reserve Provider** may procure the performance of certain of its obligations in connection with the provision of **Fast Reserve** from the relevant **Contracted BM Unit** or **Contracted Site** (as the case may be) by the **Fast Reserve Provider's Agent**.

### 5. BASE SERVICE PARAMETERS

For the purpose of provision of **Fast Reserve**, the **Base Service Parameters** shall be as set out in Appendix 3.

### 6. INDEXATION

6.1 For the purpose of **Firm Fast Reserve Tenders** comprising a basis for indexation in the circumstances permitted by the **Standard Contract Terms**, the **Contracted Indexation Methodology** shall apply to the **Contract Prices** to the extent as may be specified in that **Firm Fast Reserve Tender**.

6.2 The **Fast Reserve Provider** hereby consents for the purposes of paragraph 5.6 of the **Standard Contract Terms** to the disclosure by **National Grid** of the **Contracted Indexation Methodology** for all and any purposes associated with the procurement by **National Grid** of **Balancing Services**.

## 7. WORKS PROVISIONS

Where the **Fast Reserve Provider** has submitted a **Firm Fast Reserve Tender** in respect of which provision of **Fast Reserve** is dependent upon the carrying out of **Works** to any or all of the **Contracted BM Unit(s)** or **Contracted Site(s)**, then upon issue by **National Grid** of any **Firm Fast Reserve Tender Acceptance** with respect thereto the provisions of Appendix 7 shall apply.

## 8. VARIATIONS

No variation to this **Fast Reserve Framework Agreement** shall be effective unless made in writing and signed by or on behalf of both **National Grid** and the **Fast Reserve Provider**.

## 9. NOTICES

For the purposes of this **Fast Reserve Framework Agreement**, unless and until otherwise notified by the relevant **Party** to the other in accordance with paragraph 5.8 of the **Standard Contract Terms**, any notice or other communication to be given by **National Grid** or the **Fast Reserve Provider** to the other under, or in connection with matters contemplated by, this **Fast Reserve Framework Agreement** and any **Fast Reserve Contract(s)** shall be sent to the following address and/or facsimile number and marked for the attention of the person named below:

**National Grid:** National Grid Electricity Transmission plc  
Network Operations  
National Grid House  
Warwick Technology Park  
Gallows Hill  
Warwick CV34 6DA

Facsimile number: 01926 655630

For the attention of: The Company Secretary

Copy to: The Energy Operations Manager

Facsimile number: 01926 656612

**Fast Reserve Provider:** Address:

Facsimile number:

For the attention of:

Operational telephone contact number:

Operational facsimile number:

Operational contact:

## 10. UNDERTAKING OF BONA FIDE TENDER AND NON-CANVASSING

- 10.1 The **Fast Reserve Provider** hereby undertakes that each **Fast Reserve Tender** which it may submit or (where relevant) procure that any **Fast Reserve Provider's Agent** engaged by the **Fast Reserve Provider** submits on its behalf during the term of this **Fast Reserve Framework Agreement** shall be bona fide and intended to be competitive and that the **Fast Reserve Provider** and (where relevant) any **Fast Reserve Provider's Agent** engaged by the **Fast Reserve Provider** shall not fix or adjust the amount of the **Firm Fast Reserve Tender** or the rates and prices quoted by or under or in accordance with any agreement or arrangement with any other person.
- 10.2 The **Fast Reserve Provider** also undertakes that neither it, nor any person (including any **Fast Reserve Provider's Agent**) on its behalf, shall do at any time any of the following acts:-
- (a) communicate to a person, with the exception of its professional advisers and **National Grid**, the amount or approximate amount of any **Firm Fast Reserve Tender** (other than in confidence in order to obtain quotations necessary for the preparation of the **Firm Fast Reserve Tender** for insurance);
  - (b) enter into any agreement or arrangement with any other person to restrain that other person from submitting a **Firm Fast Reserve Tender** or to fix the amount of any **Firm Fast Reserve Tender** to be submitted by that other person;
  - (c) offer or agree to pay or to give, nor pay or give, any sum of money, inducement or valuable consideration directly or indirectly to any person for doing or having done or causing or having caused to be done any act or omission in relation to any **Firm Fast Reserve Tender** or proposed **Firm Fast Reserve Tender** for the provision of **Fast Reserve**;
  - (d) canvass or solicit any officer, employee or agent of **National Grid** in connection with the award of any **Fast Reserve Contract** for the provision of **Fast Reserve**.

**11. COUNTERPARTS**

This **Fast Reserve Framework Agreement** may be signed in any number of counterparts and by the **Parties** on separate counterparts, each of which when signed shall constitute an original but all the counterparts shall together constitute but one and the same instrument. For the purposes of this Clause 11, the delivery of a facsimile copy of a signed counterpart of this **Fast Reserve Framework Agreement** shall be deemed to be a valid signature thereof provided that the **Party** so delivering a facsimile hereby undertakes to deliver an original copy of this **Fast Reserve Framework Agreement** forthwith following such facsimile transmission.

**IN WITNESS WHEREOF** the hands of the duly authorised representatives of the parties hereto at the date first above written

SIGNED BY )  
*[name]* )  
for and on behalf of )  
**NATIONAL GRID** )  
**ELECTRICITY TRANSMISSION PLC** )

SIGNED BY )  
*[name]* )  
for and on behalf of )  
*[Fast Reserve Provider]* )

## APPENDIX 1

### FURTHER DEFINITIONS

<b>“Contracted Indexation Methodology”</b>	the methodology for indexation of <b>Contract Prices</b> or any of them for the purpose of <b>Firm Fast Reserve Tenders</b> comprising a basis for indexation in the circumstances permitted by the <b>Standard Contract Terms</b> , as specified in Appendix 6 (if any);
<b>“Contracted BM Unit(s)”</b>	each of the <b>BM Unit(s)</b> identified in Appendix 4;
<b>“Contracted Site(s)”</b>	each of the <b>Generating Unit(s)</b> and/or other <b>Plant</b> and <b>Apparatus</b> identified in Appendix 5;
<b>“Fast Reserve Framework Agreement”</b>	this Fast Reserve Framework Agreement as from time to time amended or modified;
<b>“Standard Contract Terms”</b>	the document entitled “Fast Reserve Tender Rules and Standard Contract Terms” published by <b>National Grid</b> and as revised from time to time in accordance with its terms;

**APPENDIX 2**  
**SPECIAL CONDITIONS**

**APPENDIX 3**

**BASE SERVICE PARAMETERS**

**SECTION 1 - DATA**

*[BM Providers]*

**Contracted BM Unit(s) and Base Service Parameters**

Contracted BM Unit		Base Service Parameters				Response Time (mins)
		Enhanced Rates		Minimum Physical Notification at and above which Run Up/Run Down Rates apply (MW)	Maximum Physical Notification at and below which Run Up/Run Down Rates apply (MW)	
Individual BM Unit(s) (list)	Aggregated BM Unit(s) (where not listed individually)	Run Up Rate (MW/min)	Run Down Rate (MW/min)			

**SECTION 1 - DATA**

***[Non BM Providers]***

**PART 1**

**CONTRACTED UNIT AND PREMISES**

[The **Contracted Site** is a **Type [1/2]\* Contracted Site** and comprises [the load reduction equipment] at [ ] (“the **Premises**”)]

*or*

[The **Contracted Site** is a **Type [1/2]\* Contracted Site** and comprises the following **Contracted Load Groups**:-

[ ]

The **Premises** shall comprise [ ]

*[\* delete as appropriate]*

**PART II**

**BASE SERVICE PARAMETERS**

Contracted [Site][Load Group]	Minimum Run Up Rate  (MW/min)	Minimum Run Down Rate  (MW/min)	MW Net Export Range  (MW)	Response Time  (minutes)	Maximum Utilisation Period  (minutes)	Utilisation Limit  (Instruction/ Operational Day)  (Optional Service only)	Recovery Period  (minutes)  (Optional Service only)

**PART III**

**CONTRACTED MW OR CONTRACTED MW PROFILE**

Contracted MW = [ ]MW or [N/A]

Contracted MW Profile = [Insert Contracted MW Profile graph] or [N/A]

Example of Contracted MW Profile graphs:-

Calendar Month	Estimated Fast Reserve Delivery in Contracted Settlement Period																			
	45	46	47	48	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	

CONTRACTED [LOAD GROUP]	[SITE]	AVERAGE MW	INITIAL	MINIMUM INITIAL MW	MAXIMUM MW	INITIAL

**SECTION 2 - PRICES**

***[BM Providers]***

**Enhanced Rates Availability Fee**

**(Optional Service)**

<b>Contracted BM Unit</b>	<b>£/hour</b>

**SECTION 2 - PRICES**

***[Non BM Providers]***

<b>Optional Fast Reserve Availability Fee</b>	£[ ]/hour
<b>Optional Fast Reserve Energy Fee</b>	£[ ]/MWh

**APPENDIX 4**

**CONTRACTED BM UNIT(S)**

<b>CONTRACTED BM UNIT</b>

**APPENDIX 5**

**CONTRACTED SITE(S)**

<b>CONTRACTED SITE</b>

**APPENDIX 6**

**CONTRACTED INDEXATION METHODOLOGY**

## APPENDIX 7

### SECTION 1

#### WORKS PROVISIONS

1. The **Fast Reserve Provider** shall use its reasonable endeavours to procure that the **Fast Reserve Pre-Qualification Assessment** is passed prior to the **Commencement Date** and in respect thereof time shall be of the essence. The **Parties** agree that the **Works Programme** represents an indicative schedule of progress of the **Works**. During progress of the **Works**, both **Parties** shall use their reasonable endeavours to agree any revisions to the precise technical specification for the **Fast Reserve Pre-Qualification Assessment** which are necessary to reflect any **Technical Parameters** submitted by the **Fast Reserve Provider** after such technical specification was agreed.
2. The **Fast Reserve Provider** shall provide to **National Grid** on a monthly basis (or at such lesser frequency as **National Grid** may agree in writing) reports of how the **Works** are progressing which shall, inter alia, identify any delay or anticipated delay in completing the **Works** and how the **Fast Reserve Provider** shall, if so requested by **National Grid**, give to **National Grid** such evidence as it shall reasonably require and, if necessary, allow **National Grid's** representative all reasonable access to the **Power Station** or **Site** (as the case may be) and to the **Contracted BM Unit(s)** or **Contracted Site(s)**, to enable **National Grid** to ascertain how the **Works** are progressing and that the **Works** are proceeding in accordance with the **Works Programme**.
3. If, following receipt of a monthly report pursuant to paragraph 2 above or in exercise of its rights pursuant to paragraph 2 above or otherwise, **National Grid** believes that the **Works** will not be completed on or before the **Commencement Date**, then **National Grid** may notify the **Fast Reserve Provider** in writing that it has withdrawn its **Firm Fast Reserve Tender Acceptance** in accordance with sub-paragraph 2.5.4 of the **Standard Contract Terms** and such notice shall take effect immediately.
4. When the **Works** are completed, the **Fast Reserve Provider** shall (at its own cost) conduct a **Fast Reserve Pre-Qualification Assessment** before the **Commencement Date** to demonstrate that the **Contracted BM Unit(s)** or **Contracted Site(s)** is able to provide **Fast Reserve** in accordance with the **Fast Reserve Contract**. The **Fast Reserve Provider** shall give **National Grid** at least two weeks' prior written notice of the date when it proposes to conduct the **Fast Reserve Pre-Qualification Assessment** and (at **National Grid's** option) the **Fast Reserve Pre-Qualification Assessment** shall be carried out in the presence of a reasonable number of **National Grid's** non-participating representatives.

5. Following receipt of a notice issued by the **Fast Reserve Provider** pursuant to paragraph 4 or 6 (as the case may be), both **Parties** shall use their reasonable endeavours to ensure that the **Fast Reserve Pre-Qualification Assessment** is conducted as soon as possible and shall agree the date and time of the **Fast Reserve Pre-Qualification Assessment**, provided always that, although **National Grid** shall not unreasonably refuse to carry out a **Fast Reserve Pre-Qualification Assessment** at any time and date that may be requested by the **Fast Reserve Provider**, having regard to the cost implications **National Grid** reserves the right to cancel any **Fast Reserve Pre-Qualification Assessment** previously agreed to be carried out. In such a case the **Parties** shall agree an alternative time and date where the **Fast Reserve Pre-Qualification Assessment** shall be carried out which shall be as soon as possible thereafter.
6. As soon as possible after the date on which the **Fast Reserve Pre-Qualification Assessment** has been completed, **National Grid** shall notify the **Fast Reserve Provider** whether it has passed or failed the **Fast Reserve Pre-Qualification Assessment**. Subject to the provisions of paragraph 8, in the event that **National Grid** notifies the **Fast Reserve Provider** that in **National Grid's** opinion (and giving reasons for that opinion) the **Fast Reserve Provider** has failed any **Fast Reserve Pre-Qualification Assessment**, the **Fast Reserve Provider** shall as soon as possible respond to **National Grid**. The **Fast Reserve Provider** shall address the reason for the failure and shall subsequently notify **National Grid** when the failure has been addressed, whereupon the provisions of paragraph 4 and 5 shall apply.
7. Each **Party** shall bear its own costs in relation to the first **Fast Reserve Pre-Qualification Assessment**. In relation to the second and each subsequent **Fast Reserve Pre-Qualification Assessment** the **Fast Reserve Provider** shall be responsible not only for its own costs but also shall reimburse to **National Grid** all **National Grid's** reasonable costs reasonably incurred as a direct result of the second and each subsequent **Fast Reserve Pre-Qualification Assessment** (not to exceed in relation to all tests £[50,000] in aggregate). For the avoidance of doubt, each **Party** shall bear the risk of, and the other **Party** shall have no liability to the **Party** in respect of, loss and damage to that **Party's Plant** or **Apparatus** caused during or as a result of any **Fast Reserve Pre-Qualification Assessment** (whether due wholly or partly to the other **Party's** default or the malfunction of its **Plant** or **Apparatus** or otherwise).
8. If the **Fast Reserve Provider** fails to:-
  - 8.1 conduct a successful **Fast Reserve Pre-Qualification Assessment** prior to the **Commencement Date**; or
  - 8.2 pass a second successive **Fast Reserve Pre-Qualification Assessment** or any subsequent **Fast Reserve Pre-Qualification Assessment**,then unless **National Grid** otherwise elects to waive such requirement by notice in writing to the **Fast Reserve Provider**, **National Grid's** acceptance of the **Firm**

**Fast Reserve Tender** pursuant to the **Standard Contract Terms** shall be of no effect.

9. In this Appendix 7, the following terms shall have the meanings set opposite each:

**“Site”** the installation comprising one or more **Generating Unit(s)** and/or other **Plant** or **Apparatus** (even where separately sited) owned or controlled by the same **Fast Reserve Provider** which may reasonably be considered as being managed as one **Site**;

**“Fast Reserve Pre-Qualification Assessment”** has the meaning ascribed to that term in the **Standard Contract Terms**;

**“Works”** those works relating to the **Contracted BM Unit(s)** or **Contracted Site(s)** more particularly described in Section 2 of this Appendix 7;

**“Works Programme”** the programme for completion of the **Works** more particularly described in Section 2 of this Appendix 7.

**SECTION 2**

**WORKS PROGRAMME**

<b>Works Activity</b>	<b>Latest Target Date</b>