

SUBJECT TO CONTRACT

DATED

DETAILED ANALYSIS STUDY AGREEMENT

in respect of

the Proposed System Point

at

[]

between

NATIONAL GRID GAS PLC

And

[]

nationalgrid

**NG Legal
National Grid House
Warwick Technology Park
Gallows Hill
Warwick CV34 6DA
T: 01926 654610
F: 01926 655630**

CONTENTS

CLAUSE	PAGE
1. DEFINITIONS AND INTERPRETATION.....	1
2. OBLIGATIONS OF NATIONAL GRID	2
3. COMPANY OBLIGATIONS	3
4. PAYMENT	3
5. LIABILITIES.....	4
6. DURATION OF AGREEMENT AND TERMINATION.....	5
7. FORCE MAJEURE	6
8. INTELLECTUAL PROPERTY	6
9. VARIATIONS AND WAIVER.....	7
10. ASSIGNMENT	7
11. SEVERABILITY.....	7
12. NOTICES.....	7
13. EXCLUSIONS.....	8
14. THIRD PARTIES	9
15. LAW AND DISPUTES	9
16. ENTIRE AGREEMENT.....	9
SCHEDULE 1 – DETAILED ANALYSIS STUDY.....	11
SCHEDULE 2 - COMPANY INFORMATION	13

SUBJECT TO CONTRACT

THIS AGREEMENT is made the

BETWEEN:

- (1) **National Grid Gas plc**, (registered in England and Wales under number 02006000), whose registered office is at 1-3 Strand, London WC2N 5EH ("**National Grid**"); and
- (2) [], whose registered office is at [] (registered under number []) the "Company".

RECITALS:

- (A) The Company has requested the completion of a Detailed Analysis Study to support the development of a new Biomethane project at []. The Company will discuss with National Grid the installation of injection facilities ("**Injection Facilities**") and pipeline ("**Pipeline**") to enable the input of Biomethane gas from the Companies facilities for transportation through National Grid's Distribution Network (the "**Proposed System Point**").
- (B) In order to provide detailed information to facilitate further discussions the Company wish National Grid to carry out a Detailed Analysis Study of the proposed Connection Facilities and Pipeline to the Proposed System Point examining the scope of work required and the estimated cost of Connection Facilities and Pipeline (the "**Detailed Analysis Study**"). The estimate contained in the Detailed Analysis Study shall not constitute an offer for the construction of either the Connection Facilities or the Pipeline.
- (C) National Grid agrees to undertake the Detailed Analysis Study and the Company agrees to pay National Grid in respect of the Detailed Analysis Study subject to and in accordance with the following terms and conditions.

NOW IT IS HEREBY AGREED:

1. Definitions and Interpretation

1.1 In this Agreement the following words and phrases shall have the following meanings:

"**Company Information**" shall mean the information and/or data listed in Schedule 2;

"**Contract Term**" shall mean the period of time between the valid execution of this Agreement and the delivery of the Detailed Analysis Study Report to the Company;

"**Detailed Analysis Study Report**" shall mean the report prepared by National Grid pursuant to the Detailed Analysis Study, as more particularly described in Schedule 1;

"**Due Date**" shall mean as defined in Clause 4.3;

SUBJECT TO CONTRACT

"Final Sum" shall mean the Actual Cost plus the Overhead Charge with the precise sum included in Clause 4.1

"Insolvency Event" shall mean any step taken under any legislation including, without limitation, the Insolvency Act 1986, the Insolvency Act 2000 and the Enterprise Act 2002 and any subsequent amendment thereto, or the Party's constitution or any agreement that is entered into with any of the Party's creditors which indicates a likelihood of that Party's insolvency;

"Overhead Charge" shall mean five percent (5%) of that part of the Actual Cost that does not relate to National Grid Internal Works;

"Payment Date" shall mean the period within which the Company shall pay National Grid the sum due pursuant to Clause 4.1 and 4.2.

"National Grid's Group" shall mean National Grid and every other company which is for the time being a subsidiary or holding company (as defined in the Companies Act 1985, as amended) of National Grid or a subsidiary of such holding company;

"National Grid Internal Works" shall mean that part or parts of the Detailed Analysis Study provided and/or carried out directly by National Grid and not by a subcontractor; and

- 1.2 References in this Agreement to Clauses and Schedules are to clauses and schedules of this Agreement.
- 1.3 Any reference in this Agreement to statutes or statutory instruments shall include any modification, extension or re-enactment as may be made from time to time.

2. Obligations of National Grid

- 2.1 National Grid warrants that the Detailed Analysis Study shall be undertaken with reasonable skill and care and in accordance with the proper standards of good engineering practice.
- 2.2 National Grid shall provide the Company with a copy of the Detailed Analysis Study Report within thirty (30) working days following receipt of payment as detailed in Clause 4.1.
- 2.3 National Grid shall keep confidential and shall not disclose to any third party, any information provided by the Company in connection with the negotiation or performance of this Agreement provided that this restriction shall not apply to information:-
 - (a) which at the time of disclosure is in the public domain or thereafter becomes part of the public domain otherwise than as a consequence of a breach by National

SUBJECT TO CONTRACT

Grid of its obligations under this Clause 2.3 or such information that National Grid is required to reveal as a result of any legal process or regulatory requirement; or

- (b) disclosed to persons professionally engaged by National Grid, provided that such persons shall be required to be bound by a similar confidentiality undertaking; or
- (c) Reasonably required to be disclosed to any relevant statutory or non statutory bodies for the purpose only of completing the Detailed Analysis Study.

3. Company Obligations

- 3.1 The Company shall provide National Grid with the Company Information on or before the date of this Agreement. In addition, through the term of this Agreement, the Company shall promptly provide such further information as National Grid may reasonably request for the proper completion of the Detailed Analysis Study.
- 3.2 The Company agrees that the Company Information and such other information as it provides under Clause 3.1 is accurate and may be relied on by National Grid in connection with the performance of its obligations under this Agreement.
- 3.3 The Company shall keep confidential and shall not disclose to any third party any information provided by National Grid in connection with the negotiation or performance of this Agreement (including the Detailed Analysis Study Report) provided that this restriction shall not apply:-
 - (a) to any information which at the time of disclosure is in the public domain or thereafter becomes part of the public domain otherwise than as a consequence of a breach by the Company of its obligations under this Clause 3.3 or such information that the Company is required to reveal as a result of any legal process or regulatory requirement; or
 - (b) to information disclosed to persons professionally engaged by the Company, and the developer of premises at the Proposed System Point, provided that such persons shall be required to be bound by a similar confidentiality undertaking.

4. Payment

- 4.1 The company agrees to pay National Grid the sum of XXXX in consideration of the Detailed Analysis Study thirty (30) days after the date hereof upon prior receipt of an invoice for the sum payable under clause 4.1 (the "**Payment Date**") or within 14 days of receipt of such invoice whichever is the latest.

SUBJECT TO CONTRACT

- 4.2 In addition to the amounts under clause 4.1 in respect of the Detailed Analysis Study, National Grid may, subject to prior notification, invoice the Company for all additional costs incurred by National Grid as a result of changes or alterations or additions or omissions made by the Company to the information provided to National grid throughout the duration of the Agreement. In the event that the Company notifies changes in accordance with this clause 4.2 the Company shall not unreasonably withhold its agreement to an extension to the Completion Date.
- 4.3 The Company shall pay the sums specified in Clause 4.2 by the “**Due Date**”, that is within (14) days of issue of an invoice by National Grid.
- 4.4 Where any sum due in accordance with the provisions of Clauses 4.1 is the subject of a bona fide dispute the undisputed portion shall be promptly paid and after settlement of the dispute any amount agreed or determined to be payable shall be paid within thirty (30) days after such agreement or determination and interest thereon shall accrue from the date such amount was originally payable to the date of payment at the Base Lending Rate of Barclays Bank plc (or its successor) in London for sterling applicable from time to time plus one (1) percent and compounded annually.
- 4.5 Should the Company fail to make payment on the Due Date of any sum due hereunder, other than payments which are the subject of a bona fide dispute in accordance with Clause 4.3, interest thereon shall accrue at the Base Lending Rate of Barclays Bank plc (or its successor) in London for sterling applicable from time to time plus three (3) percent compounded annually from the date when such payment is due until the date the same is made.
- 4.6 In the event any amount invoiced under Clauses 4.1 and 4.2 remains unpaid thirty (30) days after the Payment date as provided in Clause 4.1 and the Due Date as provided in Clause 4.3 National Grid may, after prior notification to the Company and without prejudice to any other of its termination or remedial rights suspended work on the Detailed Analysis Study pending receipt of payment due.
- 4.7 In the event of suspension pursuant to Clause 4.6, the Company shall, notwithstanding any other provision of this Agreement and in addition to all other amounts due, remain liable to National Grid for all unavoidable costs and expenses reasonably incurred by reason of said suspension, including but not limited to deposits, standby payments, forfeitures, cancellation and demobilisation and remobilisation fees.
- 4.8 In addition to the sums payable in accordance with Clauses 4.1 and 4.2, the Company shall pay National Grid an additional amount equal to any Value Added Tax attributable to such sums on receipt of a roper tax invoice.

SUBJECT TO CONTRACT

5. Liabilities

- 5.1 National Grid shall not be liable for any loss or damage sustained or incurred by the Company resulting from the preparation and completion of the Detailed Analysis Study and Detailed Analysis Study Report save as set out in this Clause 5.
- 5.2 National Grid shall not be liable for any indirect or consequential loss, loss of profits, loss of contract, revenue loss or loss of anticipated savings however caused and whether arising in contract tort or otherwise and whether foreseeable or not.
- 5.3 The maximum aggregate liability of National Grid to the Company whether in contract, tort (including negligence) or otherwise for any direct loss or damage (other than to tangible property) suffered by the Company as a result of any breach of contract or negligence of National Grid or its employees shall be limited to two (2) times the total amount of the consideration payable under this Agreement.
- 5.4 Nothing in this Clause shall limit or exclude the liability of National Grid in respect of any death or personal injury caused by the negligence of National Grid.

6. Duration of Agreement and Termination

- 6.1 National Grid may suspend or terminate this Agreement forthwith upon written notice to the Company if the Company fails to pay by the due date for payment any amount due to National Grid under this Agreement within seven (7) days of the Company receiving a notice demanding payment from National Grid.
- 6.2 Either party may terminate this Agreement on giving written notice to the other if:-
- (a) the other party commits a material breach of its obligations under this Agreement which is incapable of remedy or, if capable of remedy, has not been remedied within twenty-eight (28) days of the receipt by the other party of written notice demanding remedy of the breach; or
 - (b) the other party is deemed to be unable to pay its debts (within the meaning contained in Section 123 of the Insolvency Act 1986) or any Insolvency Event occurs with respect to that party.
- 6.3 The Company may only cancel or terminate this Agreement without cause before the expiry of the Contract Term subject to the Company indemnifying National Grid in full for any losses or expenses that National Grid may incur as a result of that early termination or, where specific cancellation charges have been agreed, subject to the payment by the Company to National Grid of such cancellation charges. The Company acknowledges that any agreed cancellation charges are intended as liquidated

SUBJECT TO CONTRACT

damages and not as a penalty and are a reasonable and genuine pre-estimate of National Grid's losses.

6.4 In the event any government or governmental supranational state agency or regulatory body shall:-

- (a) rule or direct that this Agreement (or any part thereof) should not be performed by National Grid; or
- (b) institute, threaten or thereafter take any action, suit or investigation to restrain, prohibit or otherwise challenge the rights or obligations contemplated by this Agreement; or
- (c) thereafter to take any other action as a result of or in anticipation of the implementation of this Agreement which would have adverse effects on the rights of the parties hereto,

National Grid and the Company shall immediately commence negotiations in good faith with a view to agreeing provisions, actions and measures which as far as reasonably practicable retain the economic and commercial effect of the rights or obligations set out in this Agreement which shall include but is not limited to the Assignment of this Agreement within National Grid's Group.

6.5 In the event that either:-

- (a) National Grid and the Company cannot, within twenty-eight (28) days, reach agreement in accordance with Clause 6.4; or
- (b) no provision, action or measure can be reasonably taken in accordance with Clause 6.4;

then either party may forthwith terminate this Agreement.

6.6 Upon termination of this Agreement, any sums owing to National Grid shall become due and payable immediately by the Company upon demand by National Grid.

6.7 The termination of this Agreement shall be without prejudice to the rights and remedies of the parties that may have accrued up to the date of termination.

6.8 Clauses 2.3, 3.3, 4, 5, 7, 8, 11, 13 and 15 shall survive termination of this Agreement.

SUBJECT TO CONTRACT

7. Force Majeure

- 7.1 Neither Party shall be liable to the other for any delay or failure by that party in performing its obligations under this Agreement where such delay or failure is caused by events beyond the reasonable control of that Party.

8. Intellectual Property

- 8.1 All information, data and any intellectual property including but not limited to patents, copyright, design rights, registered designs, trademarks, know-how and inventions which are the property of National Grid or which National Grid acquires under or in connection with the Detailed Analysis Study, including the Detailed Analysis Study other than information, data and intellectual property owned and/or provided by the Company in accordance with Clause 3.1 shall be and remain the exclusive property of National Grid at all times.

9. Variations And Waiver

- 9.1 This Agreement shall not be varied or amended without the prior written agreement of both parties.
- 9.2 Neither party shall be deemed to have waived its rights under this Agreement unless it has specifically agreed in writing to such waiver.

10. Assignment

- 10.1 National Grid may transfer its rights and obligations under this Agreement to any third party provided that such transfer is not likely to materially adversely affect the quality of service provided to the Company.
- 10.2 National Grid may sub-contract any of its obligations under this Agreement.
- 10.3 The Company shall not transfer its rights and obligations under this Agreement without the prior written consent of National Grid (such consent not to be unreasonably withheld).

11. Severability

- 11.1 If any clause of this Agreement is found to be void or otherwise unenforceable for any reason, it will be deemed to be omitted from this Agreement the validity and/or enforceability of the other provisions of this Agreement shall not in any way be affected.

SUBJECT TO CONTRACT

12. Notices

12.1 Any notice, invoice or other communication given pursuant to this Agreement by either party to the other must be given in writing and may be served by receipted personal delivery, recorded delivery, registered post or facsimile, to the address and for the attention of the relevant party set out in Clause 12.3 or such other address as may from time to time have been notified in writing to the other party in accordance with this Clause.

12.2 Any such notice delivered by one party to the other shall be deemed to have been served:

- (a) if delivered by hand, upon the Business Day of delivery or on the first Business Day after the date of delivery if delivered on a day other than a Business Day;
- (b) if sent by recorded delivery or registered post, on the second Business Day after the day of posting or, if sent from one country to another, on the fifth Business Day after the day of posting; and
- (c) if sent by facsimile transmission and a valid transmission report confirming good receipt is generated, on the day of transmission if transmitted before 17:00 hours on a Business Day or otherwise on the first Business Day after transmission.

12.3 The addresses and facsimile numbers of the parties for the purposes of Clause 12.1 are:

(a) National Grid Gas plc

National Grid House, Floor A2 Warwick Technology Park, Gallows Hill, Warwick,
CV34 6DA

For the attention of: Andrea Godden, Sustainable Gas Contract Manager

**(b) [REDACTED]
[REDACTED]**

For the attention of: [REDACTED]

or such other address or facsimile number in the United Kingdom as may be notified in writing from time to time by the relevant party to the other party.

SUBJECT TO CONTRACT

13. Exclusions

- 13.1 Nothing in this Agreement shall be interpreted as indicating that the Proposed System Point shall, in the event that that the Connection Facilities and the Pipeline are constructed, be accepted as a New Entry Point (as defined in the Uniform Network Code).
- 13.2 The performance of the Detailed Analysis Study in no way constitutes a guarantee that the Connection Facilities and Pipeline shall be commenced or completed.
- 13.3 Any conclusions arising out of the Detailed Analysis Study shall be valid for a period of ninety (90) days.
- 13.4 All other terms and condition whether express or implied concerning the quality of fitness for purpose of the Detailed Analysis Study and/or Detailed Analysis Study Report and all such other terms and conditions are excluded.

14. Third Parties

- 14.1 The Contract (Rights of Third Parties) Act 1999 shall not apply to this Agreement and the provisions of the said Act are expressly excluded from this Agreement.

15. Law And Disputes

- 15.1 Insofar as the provisions of Part 1 of the Schedule to the Scheme for Construction Contracts (England and Wales) Regulation 1998 apply to this Agreement then they shall be deemed to be incorporated into this Agreement.
- 15.2 This Agreement and any dispute between the parties under or in connection with this Agreement shall be governed by the laws of England, and, without prejudice to Clause 15.1 the parties hereby submit to the exclusive jurisdiction of the Courts of England.

16. Entire Agreement

- 16.1 This Agreement shall constitute the entire express agreement between the parties with respect to the Detailed Analysis Study and shall supersede any and all prior oral or written understandings, arrangements, undertakings, statements, representations, commitments, warranties, communications and agreements between the parties hereto with respect to the Detailed Analysis Study. The parties acknowledge that no claims shall arise in respect of any of the foregoing not appearing in or incorporated by specific reference into this Agreement and neither party shall rely on, be bound by or have any remedy in respect of any of the foregoing other than as expressly set out in this Agreement. Nothing in this Clause shall operate to exclude the liability of either party in

SUBJECT TO CONTRACT

respect of any fraudulent misrepresentation, fraudulent concealment or other fraudulent action.

IN WITNESS of which the duly authorised representatives of the parties have executed this Agreement on the day and year first above written.

SIGNED for and on behalf of
National Grid Gas plc

SIGNED for and on behalf of
[]

Signed:

Signed:

Name:

Name:

Position:

Position:

Schedule 1 –DETAILED ANALYSIS STUDY

1. Introduction

The Company has requested that National Grid conduct a Detailed Analysis Study for a Connection and Pipeline so as to enable the input of Biomethane gas at the Proposed System Point at [REDACTED].

2. The Injection Facilities and Pipeline

2.1 The Injection Facilities

The proposed Injection Facilities shall be designed to meet the design criteria set out in paragraph 3 and shall;

- (a) Comprise the following:
 - (i) A connection to the Network at a location to be determined
 - (ii) A remotely operated isolation valve and associated bypass arrangements (the “**ROV**”), operable solely by National Grid;
 - (iii) Gas metering and quality monitoring and control equipment to ensure gas that enters the network meets the quality requirements
 - (iv) Gas odourisation plant
 - (v) All telemetry equipment and instrumentation required by National Grid for the purposes of;
 - (A) operating the ROV;
 - (B) for monitoring conditions at the entry point or associated downstream blending point; and
 - (C) transmitting all required gas flow measurement and gas quality readings to National Grid’s System Control Centre;
 - (vi) Any other facilities required for the transportation of Biomethane gas to the National Grid Distribution Network from the Proposed System Point but excluding those facilities given in paragraph (b) below.
- (b) Exclude the following:

SUBJECT TO CONTRACT

- (i) The Company's plant and equipment upstream of the Proposed System Point, including but not limited to the equipment to send required signals to the Connection Facilities

2.2 The Pipeline

- (a) The Pipeline shall mean the pipeline and associated facilities, including all telemetry equipment and instrumentation considered reasonable by National Grid but not covered in paragraph 2.1 to enable the transportation of natural gas from Proposed System Point to meet the design criteria given in paragraph 3.

3. Design Criteria

- 3.1 The Connection Facilities and Pipeline shall be designed for a maximum flow rate of [] scm/h.
- 3.2 The Connection Facilities and Pipeline shall be designed to meet the criteria for gas velocity as specified in the appropriate Institution of Gas Engineers, Transmission Design documents.
- 3.3 The Detailed Analysis Study Report shall include the following;
 - (a) Route corridor investigation study identifying possible route corridor options based on information in the public domain;
 - (b) Preliminary Engineering Line Diagrams showing the basic Connection and Pipeline;
 - (c) A proposed high level programme outlining the main events of the project;
 - (d) An indication of the cost for the provision of the next stages of the project;
 - (e) An indication of the cost of the project;
 - (f) An indication of plant and equipment required to be provided by the Customer;
 - (g) Confirmation that the Detailed Analysis Study has been carried out in accordance with the requirements stated in paragraphs 2 and 3;
 - (h) An indication of potential major environmental issues and risks.
 - (i) An indication of any foreseen major engineering difficulties.
 - (j) Indicative pressures at the Proposed System Point.

SUBJECT TO CONTRACT

Schedule 2 - COMPANY INFORMATION

Customer and Site Address:

[REDACTED]

[REDACTED]

INFORMATION TO BE PROVIDED BY CUSTOMER

Site Location detailed Map/drawing

Indicative CV Values and Oxygen Content (where appropriate)