Test Prod Hire Extension of Contestability Agreement

This Test Prod Hire Extension of Contestability Agreement is dated and made between:

2023

- (1) National Grid Electricity Distribution (South West)/(South Wales)/(East Midlands)/(West Midlands) plc (company number: 02366894/02366985/02366923/03600574) whose registered office is at Avonbank, Feeder Rd, Bristol BS2 0TB ("NGED"); and
- (2) [Company name] whose registered office is at [address] (the "Connection Provider").

Background

- (A) NGED and the Connection Provider have entered into a framework agreement dated [INSERT] (the "Framework Agreement").
- (B) As part of NGED's commitment to the development and facilitation of competition in connections NGED has invited the Connection Provider to take part in this Extension of Contestability Initiative (as defined below in Clause 1.2).
- (C) The Connection Provider has agreed to take part in this Extension of Contestability Initiative on the terms and conditions set out in this Test Prod Hire EOC Agreement (as defined below in Clause 1.2).

It is agreed as follows:

1. Definitions and interpretation

- 1.1 The terms of this Test Prod Hire EOC Agreement shall be deemed to be incorporated into and form part of the Framework Agreement for the duration of this Test Prod Hire EOC Agreement. In the event of any conflict between this Test Prod Hire EOC Agreement and the Framework Agreement, the terms of this Test Prod Hire EOC Agreement shall prevail over the conflicting terms of the Framework Agreement solely in respect of the subject matter of this Test Prod Hire EOC Agreement.
- 1.2 In this Test Prod Hire EOC Agreement, terms have the meanings given to them in the Framework Agreement unless the context requires otherwise and in addition the following definitions shall apply:

"Business Hours"

between the hours of 0800 to 1600 on a Working Day;

"Competent"

means having achieved all necessary accreditations and/or certifications regarding working on the Distribution System, including as a minimum the following Lloyds Register National Electricity Registration Scheme scopes: (i) LV Network Connection – Operational Activity, and (ii) HVNetwork Connection – Operational Activity;

"Depot"

the NGED premises at which the Test Equipment is collected and returned by the Connection Provider;

"Extension of Contestability Initiative" NGED has certain Test Equipment which the Connection Provider wishes to hire from time to time on the terms of this Test Prod Hire EOC Agreement in order to access elements of the Distribution System;

"Indemnified Party"

NGED, any company in the NGED Group and any of their respective servants and agents;

"Instructions"

means the written and/or oral instructions and training provided by or on behalf of NGED regarding the use and handling of each Item and/or the Test Equipment generally, including without limitation those published on the NGED Technical Information Site;

"Item"

each Item of Test Equipment;

"Manufacturer"

the relevant manufacturer of each Item;

"Test Prod Damage"

damage to an Item (excluding fair wear and tear) which was not present at the start of the Test Prod Hire Period of that Item;

"Test Prod EOC Commencement Date" the date specified on the front sheet of this Test Prod Hire EOC Agreement;

"Test Prod EOC Default"

any act, statement, omission or negligence on the part of either party under or in connection with this Test Prod Hire EOC Agreement in respect of which a party is legally liable to the other whether in contract or tort;

"Test Equipment"

the test prods for use on the Distribution System, as set out in the relevant Test Prod Order; and

"Test Prod Hire Costs"

the charges payable by the Connection Provider as set out in clause 10:

"Test Prod Hire EOC Agreement"

this extension of contestability agreement (including any schedules to it) between

NGED and the Connection Provider;

"Test Prod Hiring Out

Form"

the form to be signed by the Connection Provider's representative before the Test Equipment is collected from the Depot, in

the form set out in Schedule TP1;

"Test Prod Hire

Period"

the period of hire of Test Equipment by the Connection Provider set out in the

Test Prod Order:

"Test Prod Hire

Request"

the Connection Provider's written request to hire Test Equipment from NGED;

"Test Prod Order" has the meaning set out in clause 2.2; and

"NGED Engineer" the NGED employee who issues and

receives the Test Equipment at the Depot.

1.3 In this Test Prod Hire EOC Agreement, unless the context requires otherwise, the principles of interpretation set out in clause 1.2 of the Framework Agreement shall apply.

1.4 The terms set out below apply solely in respect of this Test Prod Hire EOC Agreement for the duration of this Test Prod Hire EOC Agreement.

2. **Hire of Test Equipment**

- 2.1 The Connection Provider agrees to hire and NGED agrees to provide the Test Equipment on a when needed basis subject to the terms and conditions of this Test Prod Hire EOC Agreement.
- 2.2 If the Connection Provider wishes to hire Test Equipment, the Connection Provider shall send NGED a written Test Prod Hire Request. NGED shall not be required to provide any Item unless and until it has confirmed the Connection Provider's Test Prod Hire Request in writing (such accepted Test Prod Hire Request a "**Test Prod Order**").
- 2.3 This Test Prod Hire EOC Agreement shall prevail over any terms and conditions in any Test Prod Order or Test Prod Hire Request placed by the Connection Provider, any acknowledgement from NGED of such Test Prod Order, or in any other correspondence between the parties relating to the subject matter of this Test Prod Hire EOC Agreement except only to the extent any terms and conditions on the Test Prod Order do not conflict with this Test Prod Hire EOC Agreement.
- 2.4 This Test Prod Hire EOC Agreement and (to the extent that it applies to this Test Prod Hire EOC Agreement) the Framework Agreement set out the entire agreement and understanding between the parties in respect of the subject matter of this Test Prod Hire EOC Agreement.
- 2.5 NGED shall not be obliged to accept any Test Prod Hire Request and shall be entitled to refuse any Test Prod Hire Request at its sole discretion.

2.6 Any company in the NGED Group may provide Test Equipment in accordance with this Test Prod Hire EOC Agreement. Irrespective of the company in the NGED Group that provided the Test Equipment the Connection Provider may only enforce its rights and remedies under this Test Prod Hire EOC Agreement against NGED and for these purposes only any breach of this Test Prod Hire EOC Agreement by the company in the NGED Group that provided the Test Equipment shall be deemed to be a breach by NGED.

3. Term

- 3.1 This Test Prod Hire EOC Agreement shall be deemed to have commenced on the Test Prod Hire EOC Commencement Date and shall continue until terminated in accordance with its terms.
- 3.2 Each Test Prod Hire Period shall commence and expire at the time specified in the relevant Test Prod Order.

4. Collection of Test Equipment

- 4.1 The Connection Provider shall place a Test Prod Order on each occasion it wishes to hire Test Equipment from NGED in accordance with this Test Prod Hire EOC Agreement and each Test Prod Order shall specify the number and type of Items required and the commencement date and time and expiry date and time of each Test Prod Hire Period.
- 4.2 The Test Equipment shall be collected from the Depot by the Connection Provider's representative at the start of the Test Prod Hire Period. The Connection Provider shall procure that its representative shall inspect each Item and sign the Test Prod Hiring Out Form before such Item is delivered into the Connection Provider's custody at the start of the Test Prod Hire Period. On each occasion the Connection Provider shall not be permitted to remove any Item from the Depot unless and until its representative has signed the Test Prod Hiring Out Form in respect of such Item.
- 4.3 At the end of the Test Prod Hire Period the Connection Provider shall procure that the Connection Provider's representative shall return the Test Equipment to the Depot. An Item shall not be deemed to have left the Connection Provider's custody and control until the NGED Engineer has countersigned the Test Prod Hiring Out Form confirming safe receipt of such Item.
- 4.4 The Connection Provider shall be entitled only to such warranty or other benefit as NGED has received from the Manufacturer of the Test Equipment. This Test Prod Hire EOC Agreement sets forth the extent of NGED's obligations and liabilities in respect of the Test Equipment and in particular all conditions, warranties or other terms (express or implied), including as to quality, fitness for a particular purpose or any other kind whatsoever are hereby excluded to the fullest extent permitted by law.

5. Late return of Test Equipment

5.1 Without prejudice to any other right or remedy NGED may have, if at the end of the Test Prod Hire Period the Connection Provider returns any Item to the Depot more

than sixty minutes late or fails to return that Item at all, NGED shall be entitled to charge to the Connection Provider liquidated damages of £50 per hour (or any part thereof) from the end of the relevant Test Prod Hire Period to the time the Item is returned to the Depot or otherwise delivered into the custody of NGED, up to a maximum of £6,000. The Connection Provider accepts that the liquidated damages provided for in this clause 5.1 are a genuine pre-estimate of the loss which NGED is likely to incur as a result of the Connection Provider failing to return the Test Equipment in accordance with this Test Prod Hire EOC Agreement.

- 5.2 Without prejudice to any other right or remedy it may have, if the Connection Provider fails to return any Item to the Depot within 120 hours of the end of the Test Prod Hire Period NGED shall be entitled at its sole discretion to:
 - (a) charge to the Connection Provider all costs and expenses suffered and incurred by NGED as a result of such failure, including without limitation all costs of obtaining equipment to replace the Item; and
 - (b) forthwith terminate this Test Prod Hire EOC Agreement and any Test Prod Orders subsisting at the date of such termination.

6. Use of Test Equipment

- 6.1 The Connection Provider shall (and shall ensure that its representatives shall):
 - (a) use the Test Equipment only for the purposes for which it is designed, in a proper manner by trained competent individuals in accordance with any operating instructions (including but not limited to the Instructions);
 - (b) take such steps (including but not limited to compliance with the Instructions) as may be necessary to ensure that the Test Equipment does not cause harm or injury to any person or property;
 - (c) inspect the Test Equipment prior to each use in accordance with NGED Standard Technique SP2LE (or such other applicable Standard Technique(s) as may be notified to the Connection Provider by NGED in writing from time to time);
 - (d) maintain the Test Equipment in good and substantial repair in order to keep it in as good an operating condition as when such Test Equipment was delivered (fair wear and tear only excepted) and shall at its own cost make good (or shall pay NGED's costs of having made good) any damage to or loss of the Test Equipment sustained during the Test Prod Hire Period;
 - (e) keep possession and control of the Test Equipment at all times during the Test Prod Hire Period and shall not part with possession of any Item without NGED's prior written consent;
 - (f) maintain hire and operating records of the Test Equipment and make copies of such records readily available to NGED, together with such additional information as NGED may reasonably require;

- (g) not sell, lease, hire, charge by way of security, modify, move, interfere with or otherwise deal with the Test Equipment in any way, save as permitted under sub-clause 6.1(a), without NGED's prior written consent; and
- (h) keep NGED fully informed of all material matters relating to the Test Equipment and give immediate written notice to NGED in the event of loss, accident or damage to the Test Equipment arising out of or in connection with the Connection Provider's possession or use of the Test Equipment.
- 6.2 The Connection Provider shall not request, solicit or seek instructions or advice regarding the use of the Test Equipment from the NGED Engineer. Notwithstanding the generality of the foregoing, the Connection Provider shall not be entitled to rely in any way on any advice, instructions or warnings given by the NGED Engineer (whether given voluntarily or otherwise) in relation to the use of the Test Equipment. The Connection Provider shall ensure that in all circumstances its personnel are sufficiently competent, trained and experienced to use the Test Equipment in accordance with this Test Prod Hire EOC Agreement.

7. **Obligations of the Connection Provider**

- 7.1 The Connection Provider shall ensure that all personnel that it engages in using the Test Equipment:
 - (a) shall do so with all due skill and diligence, shall possess such qualifications, skills and experience as are necessary for the proper and safe use of the Test Equipment;
 - (b) shall comply with all applicable rules, regulations, laws and requirements (including without limitation those relating to health and safety and security arrangements and the Instructions) in relation to the use of the Test Equipment; and
 - (c) are Competent.
- 7.2 The Connection Provider shall on an ongoing basis assess its compliance with the provisions of this Test Prod Hire EOC Agreement and verify that any goods, services, materials or equipment supplied by the Connection Provider are appropriate and sufficient in relation to use of the Test Equipment.
- 7.3 The Connection Provider acknowledges that:
 - (a) it shall be responsible for obtaining and maintaining all necessary rights, permissions and other consents (if any) for the installation, use and maintenance of the Test Equipment in accordance with this Test Prod Hire EOC Agreement; and
 - (b) NGED shall not be responsible for any loss of or damage to the Test Equipment arising out of or in connection with any negligence, misuse,

mishandling of the Test Equipment or otherwise caused by the Connection Provider or its officers, employees, agents or Connection Providers.

7.4 On termination or expiry of this Test Prod Hire EOC Agreement for any reason, the Connection Provider shall procure all rights necessary to allow NGED to access any premises where the Test Equipment is located for the purpose of removing such Test Equipment.

8. **Ownership**

- 8.1 The Test Equipment shall remain at all times the property of NGED, and the Connection Provider shall not have any right, title or interest in or to the Test Equipment save as expressly set out in this Test Prod Hire EOC Agreement.
- 8.2 The risk of loss, theft, damage or destruction of the Test Equipment shall pass to the Connection Provider upon signing of the Test Prod Hiring Out Form on collection of such Test Equipment from the Depot. Subject to clause 8.3, the Test Equipment shall remain at the sole risk of the Connection Provider during the Test Prod Hire Period.
- 8.3 Risk in the Test Equipment shall pass to NGED on the countersigning of the Test Prod Hiring Out Form by the NGED Engineer on return of the Test Equipment to the Depot at the end of the Test Prod Hire Period.

9. **Insurance**

- 9.1 Without prejudice to its obligation to indemnify NGED under clause 11, the Connection Provider shall, at its own expense, obtain and maintain the following insurances for the duration of the Test Prod Hire Period:
 - (a) insurance of the Test Equipment to a value not less than its full replacement value comprehensively against all usual risks of loss, damage or destruction by fire, theft or accident, and such other risks as NGED may from time to time nominate in writing;
 - (b) insurance for such amounts as a prudent owner or operator of the Test Equipment would insure for, or for such amount as NGED may from time to time reasonably require, to cover any third party or public liability risks of whatever nature and however arising in connection with the Test Equipment; and
 - (c) insurance against such other further risks relating to the Test Equipment as may be required by law, together with such insurance as NGED may from time to time consider reasonably necessary and advise to the Connection Provider.

10. Test Prod Hire Costs and payment terms

10.1 Following the end of the Test Prod Hire Period, NGED shall calculate the amount of the Test Prod Hire Costs due from the Connection Provider in accordance with clause 10.2.

- 10.2 The Test Prod Hire Costs shall be calculated by reference to:
 - (a) the total amount of time spent by the NGED Engineer: (i) delivering the Test Equipment at the commencement of the Test Prod Hire Period, (ii) waiting at the Depot to deliver and collect the Test Equipment and (iii) collecting such Test Equipment at the end of the Test Prod Hire Period (such activities "Handling the Test Equipment"); and
 - (b) any amounts due to NGED under clause 5.1 in respect of the relevant Test Prod Hire Period.
- 10.3 Subject to clause 10.4, the charge payable for the NGED Engineer's time shall be published on the NGED Technical Information Site from time to time and shall be calculated by reference to each 3-hour period or part thereof spent by the NGED Engineer Handling the Test Equipment.
- 10.4 A higher charge will be payable in respect of any part of the NGED Engineer's time Handling the Test Equipment which occurs outside of Business Hours. Such higher charge shall be published on the NGED Technical Information Site from time to time and shall be calculated by reference to each 3-hour period or part thereof spent by the NGED Engineer Handling the Test Equipment outside Business Hours. Where on any occasion the NGED's Engineer's time Handling the Test Equipment includes time both within and outside Business Hours, the relevant 3-hour period spent Handling the Test Equipment which falls in both charge rates shall be charged at the higher rate.
- 10.5 Following calculation of the Test Prod Hire Costs payable in accordance with clause 10.2, NGED shall invoice the Connection Provider for amounts due in accordance with the process set out in clause 22 of the Framework Agreement.
- 10.6 Where under this Test Prod Hire EOC Agreement any party agrees to pay to any other party any sum or to furnish to any other party consideration which (in either case) is consideration for a taxable supply that sum or consideration shall be exclusive of Value Added Tax payable on it and the recipient of the supply shall pay an amount equal to such Value Added Tax in addition to any sum or consideration on receipt of a valid Value Added Tax invoice from the relevant party.
- 10.7 All amounts due under this Test Prod Hire EOC Agreement shall be paid in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding or tax or as required by law).

11. Liability and remedies

- 11.1 Each party shall inform the other of any Test Prod EOC Default and afford the other a reasonable opportunity to correct the Test Prod EOC Default.
- 11.2 Subject to sub-clause 23.1 of the Framework Agreement, NGED's liability under this Test Prod Hire EOC Agreement, whether in contract, tort (including negligence), breach of statutory duty or otherwise, shall not exceed £5,000 (five thousand pounds) per event or series of connected events.

- 11.3 Notwithstanding sub-clause 23.8 of the Framework Agreement, the Connection Provider accepts unlimited liability for and shall indemnify the Indemnified Parties and keep them indemnified against any fine, penalty, charge or similar sum (and all associated legal costs incurred) claimed by a regulatory body from an Indemnified Party due to Test Prod EOC Default by the Connection Provider under this Test Prod Hire EOC Agreement.
- 11.4 Subject to sub-clause 23.1 of the Framework Agreement, the Connection Provider shall indemnify each Indemnified Party and keep each Indemnified Party indemnified fully at all times against all demands, damages, losses, costs (including reasonable legal costs), expenses and charges arising from:
 - (a) damage to the property of an Indemnified Party;
 - (b) death or personal injury of any person; and
 - (c) all claims by third parties,

caused by or attributable to any act or omission by the Connection Provider in relation to this Test Prod Hire EOC Agreement.

- 11.5 The Connection Provider undertakes and agrees to take out and maintain insurance cover in full force and effect at its own cost with an insurance office of repute to cover its liabilities under this Test Prod Hire EOC Agreement to the extent as would be reasonably expected.
- 11.6 The Connection Provider shall produce at NGED's reasonable request a copy of the insurance policy or policies relating to this Test Prod Hire EOC Agreement and the relevant renewal receipts for inspection by NGED.
- 11.7 The sum insured shall not be less than £5,000,000 for any one event or series of connected events. The Connection Provider shall not self-insure its liabilities under this Test Prod Hire EOC Agreement without the written consent of NGED.

12. Force Majeure

- 12.1 If either party is affected by an Event of Force Majeure, the affected party shall immediately give the other party written notification of the nature and extent of the Event of Force Majeure and the parties shall enter into bona fide discussions with a view to alleviating its effects or to agreeing upon such alternative arrangements as may be fair and reasonable.
- 12.2 If the Connection Provider is affected by an Event of Force Majeure and the written notice in relation to the Event of Force Majeure has not been withdrawn within 1 week, NGED may terminate this Test Prod Hire EOC Agreement with immediate effect by serving a written notice on the Connection Provider. The service of such notice shall be without prejudice to any rights or obligations which have accrued prior to termination.

13. **Termination**

- 13.1 Without prejudice to any right or remedy either party may have against the other for breach or non-performance of this Test Prod Hire EOC Agreement, either party may, with immediate effect by notice in writing to the other, terminate this Test Prod Hire EOC Agreement on or at any time after the happening of any of the following events:
 - (a) a material breach of any of the terms and conditions set out in this Test Prod Hire EOC Agreement provided that where such breach is capable of remedy the party in breach has been advised in writing of the breach and has not rectified it within five (5) days of receipt. For the purposes of this sub-clause a breach shall be considered capable of remedy if time is not of the essence in performance of the obligation and if that party can comply with the obligation within the 10 day period;
 - (b) on the occurrence of any one or more of the events set out in sub-clauses 33.3(b) to 33.3(h) of the Framework Agreement;
 - (c) on the party for any reason whatsoever being substantially prevented from performing or becoming unable to perform its obligations.
- 13.2 NGED may by notice in writing immediately terminate this Test Prod Hire EOC Agreement if:
 - (a) any event occurs, or circumstances arise which, in the reasonable opinion of NGED, make it no longer commercially desirable for NGED to continue with the Test Prod Hire EOC Agreement; or
 - (b) NGED consider termination necessary due to any change in legislation or the conditions of NGED's distribution licence granted pursuant to Section 6(1) (c) of the Electricity Act 1989 or any other legislative requirements.
- 13.3 Notwithstanding sub-clause 33.1 of the Framework Agreement, NGED may terminate this Test Prod Hire EOC Agreement at any time on 30 days' notice in writing to the Connection Provider.

14. Consequences of termination

- 14.1 All rights and obligations of the parties shall cease to have effect immediately upon termination of this Test Prod Hire EOC Agreement except that termination shall not affect:
 - (a) the accrued rights and obligations of the parties at the date of termination; and
 - (b) the continued existence and the validity of the rights and obligations of the parties under clauses 11, 14, and 16 which are expressed to survive termination.

- 14.2 On termination of this Test Prod Hire EOC Agreement by either Party for any reason:
 - (a) it shall no longer be deemed incorporated into the Framework Agreement; and
 - (b) the Connection Provider shall as soon as practicable and in any event not more than 2 Working Days after receipt of written notice of termination of this Test Prod Hire EOC Agreement, return any Test Equipment in its possession to NGED. If the Test Equipment is not returned within this time period, NGED shall be entitled to enter upon any premises where such Test Equipment is stored and repossess such Test Equipment forthwith. The Connection Provider shall indemnify NGED on demand against all reasonable costs and expenses incurred by NGED in effecting such repossession.

15. Costs and expenses

Each party shall bear its own costs and expenses incurred in the preparation, execution and implementation of this Test Prod Hire EOC Agreement.

16. **Data Protection**

NGED may give the Connection Provider the names and addresses of its employees, agents, contractors and sub-contractors. Where NGED does give the Connection Provider any such information the Connection Provider shall keep such information confidential, shall comply with its obligations under the Data Protection Act 1998 in respect of such information and shall only use it for the purpose of hiring Test Equipment from NGED under this Test Prod Hire EOC Agreement.

17. Entire Agreement

Following the Test Prod EOC Commencement Date the entire agreement clause in the Framework Agreement shall be deemed (without affecting any previously agreed variations which are still in force) to be varied for the duration of this Test Prod Hire EOC Agreement to include reference to this Test Prod Hire EOC Agreement forming part of the Framework Agreement. For the duration of this Test Prod Hire EOC Agreement this Test Prod Hire EOC Agreement shall be read and construed together with the Framework Agreement. In the event of any conflict between this Test Prod Hire EOC Agreement and the Framework Agreement, the terms of this Test Prod Hire EOC Agreement shall prevail over the conflicting terms of the Framework Agreement solely in respect of the subject matter of this Test Prod Hire EOC Agreement.

This Test Prod Hire EOC Agreement has been signed on the date stated as the "Date of this Agreement" on page 1 of this Test Prod Hire EOC Agreement.

Schedule TP1

(Test Prod Hiring Out Form)

This hiring out form is a part of the test prod hire agreement between:		
(South Wales) plc, National Grid Electricity Grid Electricity Distribution (West	'est Prod Agreement"). This hiring out form is	
Hire period date/time from:	to:	
Description of equipment	Serial no.	
being collected, as set out in the table above (table) skills and experience as are necessary for the pass a minimum National Electricity Registra Connection — Operational Activity). (iii) I accreditation in order to use and operate the relevant rules and guidelines (including without (iv) I will not permit the Equipment to be of supervision and direction, nor will I permit the during the period of hire. (v) I acknowledge the my own risk as a competent Connection Proving purposes for which it is designed, in a proper good and substantial repair in order to keep inspected the Equipment and consider it to be	tion Provider to collect and use the equipment (the "Equipment"). (ii) I have all qualifications, proper and safe use of the Equipment (including ration Scheme Scopes: LV and HV Network I have received all necessary training and e Equipment safely and in accordance with all out limitation NGED standard technique SP2LE), operated by any third party without my proper the Equipment to leave my custody at any time that I use and operate the Equipment entirely at vider. (vi) I will use the Equipment only for the per manner and will maintain the Equipment in the it in a good operating condition. (vii) I have be in a good, undamaged and useable condition in the reverse of this form. (viii) I will return the	

<u> </u>	of Connection Provider on of the Equipment:	Signed on behalf of NGED on return of the Equipment:
Damage/defects o collection location)		prior to removing the Equipment from the
Serial no.	Comments	
Signed on behalf of	Connection Provider:	Signed on behalf of NGED:
Damage/defects on Equipment)	n return (to be noted prio	r to NGED signing the form on return of the
Serial no.		Comments
Signed on behalf of	Connection Provider:	Signed on behalf of NGED:

SIGNED BY
Signature
Print Name
Designation
For and on behalf of [name of Connection Provider]
SIGNED BY
Signature
Print Name:
Designation: Connections Strategy Engineer

For and on behalf of National Grid Electricity Distribution **South West/South Wales/East Midlands/West Midlands plc** (company number: 02366894/02366985/02366923/03600574) whose registered office is at Avonbank, Feeder Rd, Bristol BS2 0TB ("NGED")