

3 July 2020

Application to join the Transmission Network Operators' Covid-19 Optional Use of System Charges Extended Payment Terms Scheme (the "Scheme")

This application is made on _____ (date)

By:

_____, (Registered Number _____) having a Registered Office at _____

To:

National Grid Electricity System Operator, (Registered Number 11014226) having a registered office at Faraday House, Warwick Technology Park, Gallows Hill, Warwick, CV34 6DA, United Kingdom.

Related Documentation:

Document Type	Dated	Title	Author
Ofgem Open Letter	02 June 2020	Managing the impact of COVID-19 on the energy market – introducing the option of relaxing network charge payment terms for suppliers and shippers.	Jonathan Brearley Chief Executive Ofgem
Guide to the Scheme	03 July 2020	Transmission Network Operators' Covid-19 Optional Use of System Charges Extended Payment Terms Scheme	ENA/NGESO

Declaration:

On behalf of _____, I confirm our eligibility for the Scheme and that:

- i. Neither _____ nor any member of its corporate group currently holds an issuer investment grade credit rating from Moody's (Baa3 or higher) or Standard and Poor's (BBB- or higher) credit rating agencies;
- ii. _____ has made reasonable efforts to access commercial loans or the Government's and Bank of England's financial support facilities, which include the COVID Corporate Financing Facility (CCFF), Coronavirus Business Interruption Loan Scheme (CBILS) and the Coronavirus Large Business Interruption Loan Scheme (CLBILS); and
- iii. _____ will not pay dividends or executive bonuses until it has repaid all of the deferred Use of System Charges plus interest.

Principal Terms:

On behalf of _____, I confirm that we agree to comply with the Principal Terms of the Scheme, as set out in the Guide to the Scheme, including:

- i. A minimum payment of 25% will be made against each TNUoS invoice (HH and NHH charges), issued between 1st July 2020 and 1st September 2020, in line with normal payment terms, such that the remaining balance will then qualify for the Scheme;
- ii. Interest will accrue at the prescribed rate (as defined in CUSC) which is 8.0% above the Bank of England base rate, from the 15th day following the date of issue of the relevant invoice and will be applied daily on the outstanding balance under invoice until that outstanding balance is paid; and
- iii. Repayment (including any interest) of the outstanding balance across the invoices as provided for above will be in six equal monthly instalments, payable in October 2020 until March 2021, with the first payment being made no later than 15th October 2020 and the final payment being made by no later than 15th March 2021. Earlier or higher payments can be made if supplier wishes to do this.
- iv. The use of this scheme will not require any additional security for any outstanding payments, and it will not affect a supplier's payment history allowance (PHA).
- v. We have paid all invoices in full for Transmission Network Use of System Charges which NGENO issued on or before 1st June 2020. We understand that our TNUoS demand reconciliation should be paid by the 30th July in line with normal payment terms, if payment is not received by 30th July, we will not be considered eligible for deferral of the August and September TNUoS invoices.

We also agree that:

- i. The amounts due and in respect of which extended payment terms will be made available under the Scheme will be aggregated across the electricity suppliers in our corporate group and capped at £3.90m (VAT inclusive) over the specified three months of invoicing to which the Scheme applies; and
- ii. Our participation in the Scheme may be withdrawn if, at any time, the total scheme value is exceeded.

Market Participant Information:

Please list all companies holding a supply license with associated MPIDs you wish to be considered for the Scheme. If you are not part of a group insert Not Applicable in the first column below.

Group	Company Name / Supplier	Registered Number	MPID

Invoices to be Included in the Scheme

Please indicate which invoices you would want to be considered for extended payment terms. Eligible invoices are only those invoices for Transmission Network Use of System charges issued in the three-month period between 1st July 2020 and 1st September 2020 (inclusive).

Invoices Issued	Invoice Type	Enter the amount you wish to Defer Payment for (£)*
On 1 st July 2020	Half Hourly and Non-Half Hourly TNUoS	
On 1 st August 2020	Half Hourly and Non-Half Hourly TNUoS	
On 1 st September 2020	Half Hourly and Non-Half Hourly TNUoS	

*Monthly amount to be deferred should not exceed 75% of the invoices for the applicable months (Inc VAT)

Repayment Plan

Please indicate how the repayment including the interest will be made:

- a. **Six equal instalments between October 2020 and March 2021.**
- b. **Other. Please provide the details:**

Key Contacts:

Please provide contact details for two senior managers with responsibility for overseeing payment of Use of System Charges invoices.		
Contact 1	Name:	Title:
	Tel:	Mobile:
	Email address:	
Contact 2	Name:	Title:
	Tel:	Mobile:
	Email address:	

On behalf of: (Company / Supplier)
 at: (place of signing)
 by: Director (signature)
 Full Name: (print name)

Please save this form and return to suppliercredit@energynetworks.org