

DRAFT DEMONSTRATION INFORMATION

1. If the Demonstration Information is not provided by a Demonstration Date specified by the National Grid then National Grid may reset the Demonstration Date and defer the provision of the customer's requested capacity. National Grid NTS may advise a revised Demonstration Date up to a total of [three] [3] Demonstration Dates per Project, including the original Demonstration Date.
2. In the event that the customer fails to provide the Demonstration Information by the third notified Demonstration Date, unless otherwise agreed with the User/Developer, the User/Developer shall cease to hold the [reserved capacity entitlement] and National Grid shall be entitled to recover **[all costs (including anticipated) or the allowed revenue 'charge']** and expenses incurred in performing design and planning work in respect of the Works.
3. The Demonstration Information to be provided by the customer to National Grid will be specified by National Grid NTS and will include, but not be limited to, the following from Table 1:
 - a) at least two (2) items from the Internal column; and
 - b) all relevant items from the External column.

Table 1 will be updated from time to time as required to reflect changes in legislation and commercial arrangements.

4. The Demonstration Information to be provided by National Grid NTS to the customer will be agreed by both parties and may include, but not limited to, those items listed in Table 2.

Table 2 will be updated from time to time as required to reflect changes in legislation and commercial arrangements.

5. The Demonstration Information to be provided will be agreed between the customer and National Grid at the time of application in the first instance or at the time of notification of [subsequent Demonstration Dates], as appropriate.
6. Agreement on the Demonstration Information to be provided will be assisted by the customer and National Grid NTS sharing their key project milestone dates.
7. The Demonstration Information to be provided may be amended through a written request from the customer to National Grid NTS (and vice versa).

Table 1 – Guidelines for <i>Customer</i> Demonstration Information	
Internal to the Customer	External to the Customer
Full financial backing for the customer's Project.	<p>Full planning permission* has been granted for the;</p> <ul style="list-style-type: none"> • customer's Project site and; • National Grid's NTS connection facilities (NTS connection site) where this is remote from the customer's Project site and; • any connecting pipeline between the NTS connection site and the customer's Project site. <p>* where applicable; including Local, National</p>
Contracts for detailed design placed for the facilities (and connecting pipeline where required) in relation to the NTS connection site.	Signed Full Connection Offer (FCO) /Construction Agreement for a new (or modified) NTS connection site. (If relevant)
Contracts for construction placed for the customer's Project facilities downstream of the NTS connection site, including connecting pipeline, where required.	Identify the User (UNC signatory) to which the formal capacity allocation will be made
Construction commenced at the customer's Project site.	
Construction of the connecting pipeline commenced, where required.	

Table 2 – Guidelines for *National Grid* Demonstration Information

Information	[PARCA] Milestone
Licence Revenue driver initiated (where relevant)	To be determined
Confirmation of whether physical NTS investment is required (or not)	Completion of Schedule 2 - Needs Case/Investment decision
Confirmation of type of planning consent required	Prior to commencement of: Schedule 4 – NTS reinforcement (no planning consent required) or; Schedule 5 – NTS reinforcement (local planning consent required) or; Schedule 6 – NTS reinforcement (national planning consent required).
Confirmation of first capacity date on the completion of:	Schedule 4 – NTS reinforcement (no planning consent required) or; Schedule 5 – NTS reinforcement (local planning consent required) or; Schedule 6 – NTS reinforcement (national planning consent required).
Provide customer with Stage 1a outputs*	Schedule 6 – Stage 1a Technical Options
Provide customer with Stage 1b outputs*	Schedule 6 – Stage 1b Strategic Options
Provide customer with Stage 2 outputs*	Schedule 6 – Stage 2 Pipeline Route Corridor and Siting Studies
Provide customer with Stage 3 outputs*	Schedule 6 – Stage 3 Detailed Environmental Impact Assessment and Pipeline Design
Provide customer with Stage 4 outputs*/confirmation of DCO status	Schedule 6 – Stage 4 Submit planning application for a Development Consent Order (DCO)
Provide the customer with confirmation as to the commencement/anticipated completion dates of the NTS reinforcement project	Schedule 6 – Stage 5 Construction of NTS reinforcement (assuming DCO granted)
Provide the customer with confirmation once the NTS reinforcement project is complete	Construction of NTS reinforcement is complete
* to be defined e.g. reports, planning consents, etc.	